By Mr. SWING: A bill (H. R. 6687) for the relief of Henrietta Seymour, widow of Joseph H. Seymour, deceased; to the Committee on Military Affairs.

By Mr. SWOOPE: A bill (H. R. 6688) granting an increase of pension to Emma C. Weston; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 6689) for the relief of Charles W. Anderson; to the Committee on Claims.

Also, a bill (H. R. 6690) for the relief of George T. Larkin; to the Committee on Claims.

Also, a bill (H. R. 6691) for the relief of M. L. Ward; to the Committee on Claims.

Also, a bill (H. R. 6692) for the relief of Virgie Young; to the Committee on Claims.

Also, a bill (H. R. 6693) for the relief of Thomas Green; to the Committee on Claims.

By Mr. TILSON: A bill (H. R. 6694) granting an increase of pension to Abraham Senator; to the Committee on Pensions.

By Mr. TOLLEY: A bill (H. R. 6695) granting a pension to Lois A. Briggs; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 6696) for the relief of Edward J. O'Rourke, as guardian of Katie I. O'Rourke; to the Committee on Claims.

By Mr. WHITE of Maine: A bill (H. R. 6697) for the relief of Alfred W. Mathews, former ensign, United States Naval Reserve Force; to the Committee on Naval Affairs.

Also, a bill (H. R. 6698) granting a pension to Angie H. Skinner; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Texas: A bill (H. R. 6699) granting an increase of pension to Amanda J. Crisp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6700) granting an increase of pension to Mary C. Marvin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6701) for the relief of J. H. Wallace; to the Committee on Claims.

By Mr. WILLIAMS of Illinois: A bill (H. R. 6702) granting an increase of pension to Jesse Vandigriff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6703) granting an increase of pension to Lucy A. Gallegly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6704) granting an increase of pension to Mary E. Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6705) granting a pension to Charles Wesley Simmons; to the Committee on Invalid Pensions.

By Mr. WOODRUFF: A bill (H. R. 6706) granting an increase of pension to Jane Thompson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

221. By Mr. ARNOLD: Petition from Spanish-American War veterans of Mount Vernon, Ill., and vicinity, favoring the passage of House bill 98, to grant an increased rate of pension to this class of veterans; to the Committee on Pensions.

222. By Mr. BURTON: Petition adopted by the Commercial Law League of America at its annual convention, Mackinac Island, Mich., approving the principle of increased compensation for Federal judges; to the Committee on the Judiciary.

223. By Mr. GRIEST: Petition of the members of the General George C. Crook Cantonment, No. 8, Philadelphia, Pa., in favor of the Smith bill (H. R. 12), granting a pension to surviving Indian war veterans and their dependents; to the Committee on Pensions.

224. By Mr. FRENCH: Petition of Moscow Chamber of Commerce, Moscow, Idaho, to modify the existing tariff law and provide a duty of 3 cents per pound upon all peas imported to the United States from foreign countries; to the Committee on Ways and Means.

225. Also, petition of Wallace Board of Trade, Wallace, Idaho, to modify the existing tariff law and provide a duty of 3 cents per pound upon all peas imported to the United States from foreign countries; to the Committee on Ways and Means.

226. Also, petition of Pocatello Chamber of Commerce, Pocatello, Idaho, to modify the existing tariff law and provide a duty of 3 cents per pound upon all peas imported to the United States from foreign countries; to the Committee on Ways and Means.

227. Also, petition of Kootenai Valley Commercial Club, Bonners Ferry, Idaho, to modify the existing tariff law and provide a duty of 3 cents per pound upon all peas imported to the United States from foreign countries; to the Committee on Ways and Means.

228. By Mr. KINDRED: Petition of the College Point Taxpayers Association, asking for a modification of the Volstead law to permit the sale of beer and light wines; to the Committee on the Judiciary.

229. By Mr. ROUSE: Resolution of Local Union 698, of the Newport, Ky., International Union, protesting against the proposed combination of the Ward, Continental, and General Baking Cos.; to the Committee on the Judiciary.

230. By Mr. TILSON: Petition adopted by the Connecticut Chamber of Commerce regarding the settlement of the Italian war debt and those of other countries; to the Committee on Ways and Means.

231. By Mr. WATSON: Resolution passed by the Philadelphia Society for Promoting Agriculture, favoring an appropriation to eradicate tuberculosis in cattle; to the Committee on Agriculture.

SENATE

TUESDAY, *January 5, 1926*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, lover of our souls, and desiring that we should realize the highest good for Thy glory and for the welfare of our fellow men, we come this morning with some degree of sadness asking Thee to remember the stricken home and to give unto them the comforts of Thy grace at this time of gloom. Reveal to each of us how we had best conduct ourselves along the pathway of life, not knowing what may be for us as the days multiply, but we would like to have Thy hand holding ours, leading us through the steeps and in the dark places until we shall see Thy face in peace. Through Jesus Christ our Lord. Amen.

The Chief Clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

AMERICAN AND IMPERIAL TOBACCO COS.

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Trade Commission advising the Senate that a report of an investigation by the commission of certain charges against the American Tobacco Co. and the Imperial Tobacco Co. of boycotting tobacco growers' cooperative marketing associations, made under Senate Resolution 329, of the Sixty-eighth Congress, has been transmitted to the President, which was ordered to lie on the table.

TRAVEL REPORT, INTERIOR DEPARTMENT

The VICE PRESIDENT laid before the Senate, pursuant to law, a report of the Secretary of the Interior, showing in detail what officers or employees (other than special agents, inspectors, or employees who in the discharge of their regular duties are required to constantly travel) have traveled on official business for the department from Washington to points outside of the District of Columbia during the fiscal year ended June 30, 1926, etc., which was referred to the Committee on Appropriations.

REPORT OF AMERICAN WAR MOTHERS

The VICE PRESIDENT laid before the Senate, pursuant to law, the first annual report of the American War Mothers for the year 1925, which was referred to the Committee on Military Affairs.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, its enrolling clerk, announced that the House had passed a bill (H. R. 5959) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1927, and for other purposes, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS

Mr. EDGE presented a telegram, in the nature of a memorial, from Mary O'Neill and members of the Liam Mellowes Council of the American Association for the Recognition of the Irish Republic, of Jersey City, N. J., remonstrating against the participation of the United States in the Permanent Court of International Justice, which was ordered to lie on the table.

Mr. JONES of Washington presented resolutions of the legislative committee of the Spokane (Wash.) Central Labor Council favoring an investigation of the plans and activities of the promoters of the so-called Bread Trust, etc., which were referred to the Committee on Agriculture and Forestry.

Mr. McLEAN presented a petition of Charles P. Kirkland Camp, No. 18, United Spanish War Veterans, of Winstead, Conn., praying for the passage of legislation granting increased

pensions to aged and disabled veterans of the war with Spain and their widows and orphans, which was referred to the Committee on Pensions.

He also presented a resolution adopted by the board of directors of the Connecticut Chamber of Commerce, at Hartford, Conn., indorsing the terms of settlement of the Italian war debt and urging that the Government of France be requested to again take up the debt problem with this country, so that a settlement may be effected on the most generous lines compatible with the dignity of both countries, which was ordered to lie on the table.

He also presented letters and papers in the nature of petitions Nos. 1, 2, 3, and 5, Ancient Order of Hibernians, of New Haven, Conn., protesting against the participation of the United States in the Permanent Court of International Justice, which was ordered to lie on the table.

He also presented letters and papers in the nature of petitions of the Committee on International Cooperation to Prevent War, Connecticut League of Women Voters, of Stamford; the Leagues of Women Voters of Greenwich and Hamden; members of the Eagle Rock Congregational Church, of Thomaston; sundry citizens of Roxbury; the Woman's Town Improvement Association, of Westport; and the World Court Commitetes of Waterbury, New London, Meriden, and Norwich, all in the State of Connecticut, praying for the participation of the United States in the Permanent Court of International Justice, which were ordered to lie on the table.

Mr. CAPPER. Mr. President, I send to the desk certain resolutions, which were adopted by the National Farmers' Union in regular annual session at Mitchell, S. Dak., November 17–19, 1925, and ask that they may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

The following resolutions were adopted by the National Farmers' Union in regular annual session at Mitchell, S. Dak., November 17–19, 1925:

"We, your committee on legislation and resolutions, beg leave to submit the following report:

"We approve the order given by President Coolidge that appropriations for Army and Navy must be reduced next year $20,000,000, but deplore the increased appropriation for maintenance of State militia and citizen training camps under the guise of education.

"We oppose the repeal of the present gifts of inheritance tax law or any reduction in the schedules. We oppose any reduction of income tax rates on the higher incomes.

"We are for Government completion of the Muscle Shoals project and Government operation in the interest of agriculture.

"We reiterate the stand taken by former National Farmers' Union conventions in asking Congress to submit proposed constitutional amendments providing for election of Federal judges and the election of President and Vice President of the United States by direct vote of the people.

"We oppose any change in our immigration laws which would allow an increase of the present percentage rate, and we urge rigid enforcement of the laws against smuggling.

"We believe the tariff commission and the President of the United States should exercise the flexible provisions of the Fordney-McCumber bill and increase the tariff rates upon frozen eggs, meats, and dried-egg products to the maximum amount possible under this law.

"Agriculture can never be free, economically, until it is free financially. We believe that equality for agriculture with national agency for financing, both the operation and the marketing of their crops. To this end we advocate the enactment of a measure by Congress with provisions similar to those embodied in the Norbeck-King bill.

"The Government is now in possession of funds to the amount of about $300,000,000 that properly is in trust for agriculture. We believe that these funds now held by the War Finance Corporation, the Intermediate Credit Banks, and the United States Grain Corporation should be used for the capitalization of a nation-wide credit agency, with ample power to rediscount agricultural paper and, in emergency, to issue its own currency notes based on such paper, being the same privilege now enjoyed by the Federal reserve bank."

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. EDGE:

A bill (S. 2126) for the relief of George Andre and Alphonse Andre; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 2127) for the relief of Willis B. Cross;

A bill (S. 2128) for the relief of Samuel Spaulding; and

A bill (S. 2129) for the relief of Henry Mathews; to the Committee on Military Affairs.

A bill (S. 2130) granting a pension to George W. Sampson;

A bill (S. 2131) granting an increase of pension to Floyd A. Honaker;

A bill (S. 2132) granting an increase of pension to Susan Amelia Batson;

A bill (S. 2133) granting an increase of pension to Victoria Coffman;

A bill (S. 2134) granting an increase of pension to Frances Chidester; and

A bill (S. 2135) granting an increase of pension to Mary E. Yoho; to the Committee on Pensions.

By Mr. DILL:

A bill (S. 2136) granting an increase of pension to Jonathan L. Cresom; to the Committee on Pensions.

A bill (S. 2137) to provide for the retirement of David E. Lunsford as a corporal in the United States Army; to the Committee on Military Affairs.

A bill (S. 2138) to regulate the manufacture, printing, and sale of envelopes with postage stamps embossed thereon; to the Committee on Post Offices and Post Roads.

By Mr. OVERMAN:

A bill (S. 2139) for the relief of William W. Green, warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. BRATTON:

A bill (S. 2140) to amend paragraphs 18, 19, and 20 of section 400 of the transportation act, approved February 28, 1920, and all acts amendatory thereof and supplementary thereto; to the Committee on Interstate Commerce.

By Mr. WHEELER:

A bill (S. 2141) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. COPELAND:

A bill (S. 2142) to provide for regulating traffic in certain clinical thermometers, and for other purposes; to the Committee on Interstate Commerce.

By Mr. CURTIS:

A bill (S. 2143) to incorporate the American Bar Association; to the Committee on the Judiciary.

By Mr. SHEPPARD:

A bill (S. 2144) for the relief of Tampico Marine Iron Works; to the Committee on Claims.

By Mr. GREENE:

A bill (S. 2145) granting an increase of pension to Catherine Rumney; to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 2146) to amend section 5 of an act entitled "An act to create a Federal trade commission, to define its powers and duties, and for other purposes," approved September 26, 1914; to the Committee on Interstate Commerce.

By Mr. NORRIS:

A bill (S. 2147) to provide for the operation of Dam No. 2 at Muscle Shoals, Ala., for the construction of other dams on the Tennessee River and its tributaries, for the incorporation of the Federal Power Corporation, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. LENROOT:

A bill (S. 2148) for the relief of Frank Murray; to the Committee on Claims.

By Mr. McLEAN:

A bill (S. 2149) granting a pension to William H. Webb (with accompanying papers);

A bill (S. 2150) granting a pension to Emma J. Cowles (with accompanying papers); and

A bill (S. 2151) granting a pension to Minnie M. Smith (with accompanying papers); to the Committee on Pensions.

By Mr. PEPPER:

A bill (S. 2152) for the relief of Lawrence Harvey; to the Committee on Naval Affairs.

A bill (S. 2153) for the relief of Charles Ritzel; to the Committee on Claims.

A bill (S. 2154) granting a pension to Mary E. Gray;

A bill (S. 2155) granting an increase of pension to Edward F. Stewart; and

A bill (S. 2156) granting an increase of pension to Robert S. Stine; to the Committee on Pensions.

By Mr. WILLIS:

A bill (S. 2157) granting an increase of pension to Maria C. Buchanan (with accompanying papers); to the Committee on Pensions.

By Mr. MEANS:

A bill (S. 2158) for the relief of certain disbursing officers of the office of Superintendent State, War, and Navy Department Buildings; to the Committee on Claims.

By Mr. CARAWAY:

A bill (S. 2159) relating to hotel charges in the District of Columbia; and

A bill (S. 2160) prohibiting the intermarriage of the Negro and Caucasian races in the District of Columbia and the residence in the District of Columbia of members of those races so intermarrying outside the boundaries of the District of Columbia, and for other purposes, and providing penalties for the violation of this act; to the Committee on the District of Columbia.

A bill (S. 2161) for the relief of certain landowners; and

A bill (S. 2162) to authorize the payment of 50 per cent of the proceeds arising from the sale of timber from the national forest reserves in the State of Arkansas to the promotion of agriculture, domestic economy, animal husbandry, and dairying within the State of Arkansas, and for other purposes; to the Committee on Public Lands and Surveys.

A bill (S. 2163) granting the consent of Congress to the Fulton Ferry & Bridge Co. to construct a bridge across the Red River at or near Fulton, Ark.;

A bill (S. 2164) to permit the city of Fort Smith, Sebastian County, Ark., to erect or cause to be erected a dam across the Poteau River; and

A bill (S. 2165) to provide for the disposal of vessels held by the United States Shipping Board; to the Committee on Commerce.

A bill (S. 2166) for the relief of Orin Thornton;

A bill (S. 2167) for the relief of Obadiah Simpson;

A bill (S. 2168) for the relief of Elbert Kelly, a second lieutenant of Infantry in the Regular Army of the United States;

A bill (S. 2169) for the relief of William Sparling; and

A bill (S. 2170) making eligible for retirement under the same conditions as now provided for officers of the Regular Army Capt. Oliver A. Barber, an officer of the United States Army during the World War, who incurred physical disability in line of duty; to the Committee on Military Affairs.

A bill (S. 2171) to define the jurisdiction of courts in the District of Columbia in civil action against Members of Congress;

A bill (S. 2172) to require registration of lobbyists, and for other purposes; and

A bill (S. 2173) for the relief of employees of the Bureau of Printing and Engraving who were removed by Executive order of the President dated March 31, 1922; to the Committee on the Judiciary.

A bill (S. 2174) for the purchase of a site and the erection of a public building at El Dorado, Ark.;

A bill (S. 2175) to increase the cost of public building at Russellville, Ark.;

A bill (S. 2176) for the purchase of a site and the erection of a public building at Forrest City, Ark.; and

A bill (S. 2177) to enlarge and extend the post-office building at Jonesboro, Ark.; to the Committee on Public Buildings and Grounds.

A bill (S. 2178) for the relief of Harry P. Creekmore; to the Committee on Naval Affairs.

A bill (S. 2179) granting an increase of pension to William H. Lilley;

A bill (S. 2180) granting an increase of pension to C. W. Kerlee;

A bill (S. 2181) granting an increase of pension to John H. Cook;

A bill (S. 2182) granting an increase of pension to Amanda E. Whitham;

A bill (S. 2183) granting an increase of pension to Cora Hubbard;

A bill (S. 2184) granting a pension to Louisa Bell;

A bill (S. 2185) granting a pension to W. E. Parker;

A bill (S. 2186) granting an increase of pension to Martha Burley; and

A bill (S. 2187) granting a pension to Isaac Pierce; to the Committee on Pensions.

A bill (S. 2188) for the relief of G. C. Allen;

A bill (S. 2189) for the relief of W. B. deYampert;

A bill (S.2190) for the relief of S. Davidson & Sons;

A bill (S. 2191) for the relief of Clarence Winborn;

A bill (S. 2192) for the relief of Ella H. Smith;

A bill (S. 2193) for the relief of Grover Ashley;

A bill (S. 2194) for the relief of James Rowland;

A bill (S. 2195) for the relief of Mrs. H. J. Munda;

A bill (S. 2196) for the relief of the Interstate Grocer Co.;

A bill (S. 2197) for the relief of Paul B. Belding;

A bill (S. 2198) for the relief of Robert L. Martin;

A bill (S. 2199) for the relief of Carl L. Moore;

A bill (S. 2200) for the relief of James E. Fitzgerald; and

A bill (S. 2201) for the relief of Claude J. Church; to the Committee on Claims.

By Mr. FRAZIER:

A bill (S. 2202) to provide that jurisdiction shall be conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and certain bands of Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. HARRELD:

A bill (S. 2203) granting an increase of pension to Harriett M. Carter (with accompanying papers); to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 2204) to provide for the erection of a public building at the city of Jackson, Ga.;

A bill (S. 2205) to provide for the erection of a public building at the city of Thomaston, Ga.;

A bill (S. 2206) to provide for the erection of a public building at the city of Cairo, Ga.;

A bill (S. 2207) to provide for the erection of a public building at the city of Arlington, Ga.;

A bill (S. 2208) to provide for the erection of a public building at the city of Monticello, Ga.;

A bill (S. 2209) to provide for the erection of a public building at the city of Sylvester, Ga.;

A bill (S. 2210) to provide for the erection of a public building at the city of Donalsonville, Ga.;

A bill (S. 2211) to provide for the erection of a public building at the city of Camilla, Ga.;

A bill (S. 2212) to provide for the erection of a public building at the city of Colquitt, Ga.;

A bill (S. 2213) to provide for the erection of a public building at the city of Pelham, Ga.; and

A bill (S. 2214) to provide for the erection of a public building at the city of Edison, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. McKINLEY:

A bill (S. 2215) for the relief of James E. Simpson; to the Committee on Post Offices and Post Roads.

A bill (S. 2216) for the relief of George W. Phillips; and

A bill (S. 2217) for the relief of Le Maire M. Bryant (with accompanying papers); to the Committee on Naval Affairs.

A bill (S. 2218) for the relief of William O. Sarber (with accompanying papers);

A bill (S. 2219) for the relief of Walter D. Mattice; and

A bill (S. 2220) for the relief of Mary B. Jenks; to the Committee on Military Affairs.

(By request.) A bill (S. 2221) for the relief of Hugh R. Wilson, John K. Caldwell, and other diplomatic and consular officers and employees and representatives of the Departments of Commerce and the Treasury, who suffered losses in the Japanese earthquake and fire; to the Committee on Claims.

A bill (S. 2222) granting a pension to O. R. Van Ostrand;

A bill (S. 2223) granting an increase of pension to John A. Martin;

A bill (S. 2224) granting a pension to Jacob Miller;

A bill (S. 2225) granting a pension to Mary B. Jenks (with accompanying papers);

A bill (S. 2226) granting a pension to James E. Hamilton (with an accompanying paper);

A bill (S. 2227) granting an increase of pension to Elizabeth M. Friend (with an accompanying paper);

A bill (S. 2228) granting an increase of pension to John F. Freese (with accompanying papers);

A bill (S. 2229) granting a pension to Louisa J. Robertson (with an accompanying paper);

A bill (S. 2230) granting an increase of pension to Margaret C. Porter (with an accompanying paper);

A bill (S. 2231) granting a pension to Margaret Marsh (with accompanying papers);

A bill (S. 2232) granting a pension to Clarissa Jordan (with accompanying papers); and

A bill (S. 2233) granting an increase of pension to Cephas H. John (with accompanying papers); to the Committee on Pensions.

By Mr. CAMERON:

A bill (S. 2234) for the relief of Robert T. Jones; to the Committee on Claims.

By Mr. McKELLAR:

A bill (S. 2235) prohibiting the Public Utilities Commission of the District of Columbia from fixing rates of fare for the street-railway companies in the District of Columbia at rates in excess of those stipulated in their charters; to the Committee on the District of Columbia.

By Mr. NORRIS:

A joint resolution (S. J. Res. 37) authorizing the Secretary of Agriculture to cooperate with Territories and other possessions of the United States under the provisions of sections 3, 4, and 5 of the act of Congress entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor"; to the Committee on Agriculture and Forestry.

HOUSE BILL REFERRED

The bill (H. R. 5959) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1927, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

APPOINTMENT TO OFFICE OF MEMBERS OF CONGRESS

Mr. CARAWAY submitted the following resolution (S. Res. 111), which was ordered to lie on the table:

Whereas the efforts to control the sentiment and votes of Members of Congress by the appointment of Members thereof to office are hurtful to the dignity and freedom of the Congress and to the public service, and is contrary to the fundamental theory of our Government, which recognizes three distinct and independent branches of government: Therefore be it

Resolved, That it is the sense of the Senate that it will deny confirmation to any Member of Congress to any office to which said Member may be appointed if it is apparent that said Member has changed his position on any question pending before the body of which he is a Member in order to aid himself in securing any appointment by the President to such office.

COLORADO RIVER COMPACT

Mr. CAMERON. Mr. President, I ask unanimous consent to have printed in the RECORD a speech delivered in the Arizona State Senate by the Hon. Charles H. Rutherford on the Colorado River compact.

There being no objection the speech was ordered to be printed in the RECORD as follows:

COLORADO RIVER COMPACT

Speech of Hon. Charles H. Rutherford on the Colorado River compact, delivered in the Arizona State Senate Wednesday, February 20, 1923

Mr. Chairman, in arising to discuss the great issue before this body, the senate of the sixth legislature, I realize the greatness of the subject, which is not only paramount in the minds of the members of this senate but also in the minds of the people within our State. I realize the solemnity of the occasion and the great responsibility with which we are charged, a responsibility, to my mind, greater than any that has ever confronted a similar body since the organization of our Territory in 1863. Whether we act wisely or otherwise remains to be seen. Whether our votes shall be commended or condemned is a matter for each and every one of us to decide. I am willing to accept the responsibility for my own action.

We have been handicapped by the absence of facts which might have been supplied by the State water commissioner, and it is to be regretted that any bureau of this great State to which a large amount of funds have been appropriated from our treasury has so sadly neglected and failed to furnish us with the information to which we are justly entitled.

The question has been asked me many times in the past few weeks, Are you for the Santa Fe compact? To which I have given but the one answer, viz, I am not, in the absence of more specific information. And in this connection may I add that upon the 8th day of January, this year, the governor of this State in his message to the legislature used the following language:

"Whether the proposed pact will facilitate the early harnessing of the river is debatable. The pact contains no provisions for construction of any dams. It is essential that in considering the provisions of the pact all factors be taken into consideration, including those omitted from the pact.

"May I not urge that every paragraph of the pact be scrutinized and studied carefully before any conclusions are arrived at as to whether or not Arizona should become a part of this contract?

"This subject is bigger than political parties; it is bigger than statesmen; it is bigger than any man or the ambitions of any man; it is a question of what is the best thing to do for Arizona and the States of the Colorado Basin, for America, and for the peace of the world.

"I am not an alarmist, but I think it well to call your attention to the fact that American land speculators are seeking to reap huge profits from Japanese financiers interested in lands in lower California proposed to be irrigated from the waters of the Colorado River. These matters were reported in recent issues of the Los Angeles, Calif., papers, and should be seriously studied in connection with any proposed development made possible through the control of the flood waters of the Colorado River Basin."

The words of our governor I heartily approve of, and at this time I desire to briefly discuss the Colorado River compact itself and its relation to hydroelectric power and to commerce.

THE COLORADO RIVER COMPACT AND ITS RELATION TO HYDROELECTRIC POWER AND TO COMMERCE

The East has passed beyond the Mississippi and now meets the recoiling West in the Rocky Mountain Range in compact combat.

The battle ground is within this chamber. The object of contention is the Colorado River.

What is the setting of this battle? What are the forces contending and their magnitudes?

We are in the midst of a battle royal between the commercial forces of the East and the public of the West.

We must take a broad view of this battle or we shall fail.

THE ROCKY MOUNTAINS DIVIDE

The Rocky Mountains divide the United States into two parts, the one quite dissimilar from the other. The histories of the peoples of the two parts are quite dissimilar and the natural resources with the characteristics of the country are quite dissimilar.

The latter is in part expressed in the relative distribution of hydroelectric power.

Seventy-two per cent of the total hydroelectric power of the United States is west of the Rockies.

Forty-two per cent of the total hydroelectric power of the United States is found in the three States bordering on the Pacific Ocean—Washington, Oregon, and California.

There is about 30,000,000 horsepower in use within the United States, and about 6,000,000 horsepower of this is hydroelectric power.

There is about 30,000,000 hydroelectric primary horsepower in the United States, and if the secondary power be added the horsepower mounts to 53,000,000. If liberal storage capacity be provided, the total hydroelectric power mounts toward 100,000,000.

HYDROELECTRIC-POWER MONOPOLY

There is an hydroelectric-power monopoly in the United States, clearly disclosed in the Government report Electric Power Development in the United States, published in 1916 in Senate Documents 8, 9, and 10, parts 1, 2, and 3.

There are about 1,500 electric-power corporations, which are interwoven and constitute a web work throughout the country, all directly focusing in 31 banks and trust companies of New York, Boston, and Philadelphia, which latter institutions dominate hydroelectric-power finance.

There is under way a battle between these power institutions of the country and the public concerning power rates. There is inherent in the organism of the power monopoly an unalterable tendency to raise and maintain rates higher than the public can afford to pay.

The revulsion of the public against excessive rates expressed itself in bitter fights here and there and often in the form of attempts, with more or less success, to establish publicly owned and controlled electric-power institutions.

The establishment of such publicly owned institutions is a menace to the power monopoly, in that the lower rates of service associated with public institutions react unfavorably upon the standard rates of the power monopoly.

Therefore, it will be seen that it becomes a matter of business of the power monopoly to gain control of at least the most important hydroelectric resources and thus prevent the establishment of publicly owned and controlled hydroelectric institutions.

These two contending forces have met at the Colorado River.

The compact between the seven States before this body for consideration is an expression of a phase, and only a phase, in the contentions between the two forces described.

The power monopoly has decided advantages rooting within itself, and in this case further advantages on account of the weaknesses of the opposing forces.

A brief explanation of the latter statement may be made.

ARIZONA AT DISADVANTAGE

There lies along the Pacific Ocean three States which have benefited greatly in their development on account of free access to world commerce upon the sea. Wealth and population have risen by leaps and bounds.

There lies between these States and the Rocky Mountain Range, and in the west foothills of the range, a row of States of lesser advantages except for the specific and exceptionally generous natural resources in the form of mineral wealth and to a considerable extent hydroelectric power. Arizona is one of these States.

It is interesting to note that these States have been subjected to two commercial forces—the one force reaching in from the East and carrying away the wealth to the East, and the other reaching in from the West and carrying away wealth to the West. The general result is that this row of States is being depleted rapidly. The increase of population has not been rapid, and when the wealth found in concentrated form has been for the most part taken away the States will be left quite helpless. Look across the Colorado to Nevada as the best example of the latter statement.

Those within this chamber will recall that the name Nevada was a synonym for el dorado and that the fantastic wealth of this State flowed East and West, made millionaires on the west coast and millionaires on the east coast. In the zenith neither the inhabitants of Nevada nor the outside public contemplated for a moment the present Nevada—depleted, exhausted, limp, and quivering. We may well ask, Is it the future picture of Arizona?

The answer is, not if the public of Arizona rouses itself out of lethargy and forces the fight into the territory of the opponent.

What then has the Colorado River compact to do with this?

ANALYSIS OF ARIZONA

The question calls for an analysis of Arizona and her setting in the whole, and this analysis will include the analysis of factors and forces within Arizona and factors and forces without Arizona.

First, let us take a view of Arizona as she is. She has a population of 350,000 and her greatest resource is the intelligence of her people.

As to material resources the report of the Arizona tax commission of 1922 may be taken as an index.

Valuation and percentages of State taxes paid by classes

	Percentage		Valuations	
	1920	1922	1920	1922
Railroad	11.35	13.72	$100,985,637.06	$100,427,627.00
Mining property of all descriptions	52.79	48.97	469,651,131.18	358,522,577.00
Land and improvements	11.60	11.68	103,252,333.64	85,498,475.00
Town and city lots and improvements	10.44	12.12	92,901,192.50	88,693,343.00
Livestock of all kinds	4.70	3.76	41,802,486.25	27,508,739.00
All other property	9.12	9.75	75,856,901.87	71,370,525.00
Total			884,455,682.50	732,021,286.00

Arizona is at present in an agricultural and commercial depression.

The total bonded indebtedness of the State of Arizona at present is $43,000,000, including State, county, and local obligations.

The per capita tax before the war was $17. At present it is $37.

Approximately 12,000 farmers in Maricopa County alone are unable to pay their taxes this year.

In the State there is now due nearly $4,000,000 of taxes not paid.

Arizona and California are the two most important States relative to the development of the Colorado River. We may therefore take a glance at the summary of California.

California has a population of about 3,500,000. It has an estimated total value of $7,000,000,000. California outweighs Arizona in almost all respects. However, Arizona occupies a position of decided advantage, not alone as against California, but also as against each and all of the other Colorado River Basin States, an advantage in the Colorado River development projects. It remains only for Arizona to protect her rights therein. To do this she will have an uphill fight, since her worst enemies are within her own borders. Specifically, as it stands now, those who have benefited the most out of the wonderful Arizona resources are her worst enemies and are the most difficult to fight because of their insidious methods.

THE POWER TRUST

The Power Trust of the United States is a colossal institution representing as it does in total a capitalization of over $4,000,000,000, and if we add to this the almost inseparable gas, electric street railway and transportation lines and other public utilities, we have a combined value of over $15,000,000,000, all essentially financed by the 31 trust companies and banks having a total combined resource of $5,000,000,000, a grand total amount of resources, as will be seen, approximating $20,000,000,000. This combination of wealth looks toward maintenance of domination of all the hydroelectric power resources of the country for all time. Again may we ask, of what interest is this to Arizona?

The 75 Power Trust units in our neighboring State, California, have a total capitalization of $500,000,000, and one of these units, the Southern California Edison Co., has reached into the Colorado River through the application for a license upon the Glen Canyon dam site and power site. There are indications that the Southern California Edison Co. has joined hands with certain mining interests of Arizona in the attempt to acquire control of the Colorado River.

The city of Los Angeles for itself and other California communities has applied for a license to build a dam and power plant at Boulder Canyon. The two applications mentioned represent two powerful forces from California reaching into the Colorado River within the borders of Arizona.

Mining interests of Arizona have taken over the Diamond Creek site through the Girand license. These interests came into Arizona from the East.

There are other applications for power sites on the Colorado River within Arizona coming in from the East or from the West.

DIAMOND CREEK LICENSE CARRIES CONTROL OF 4,000,000 HORSEPOWER

What is Arizona doing in efforts to protect her rights on the Colorado River? She stands by as if bound hand and foot. In fact, she issues a free permit to private interests for the Diamond Creek site, a permit which if matched by a duplicate permit from the Federal Power Commission grants to the licensees, in effect, a perpetual commercial option and control upon all Colorado River power within Arizona—approximately 4,000,000 horsepower ultimate development—and an associated control of the construction of flood control and irrigation dams. The issuance of that permit by the water commissioner was a stab to the heart of struggling Arizona.

To those who see the full significance of it, the unfairness exhibited by the water commissioner to the 350,000 people of Arizona in his act of issuing the Diamond Creek permit a few days before the people's legislative representatives met for the sixth legislative session, and without consulting with them, carries beyond the issuance of the permit, to the act of signing the Colorado River compact. The question arises as to whether all was well in Arizona's part in the Colorado River compact. It all prompts the spirit of inquiry into the signing of the compact by the commissioner from Arizona. The values involved in both transactions are colossal and the circumstances disquieting. What part did the Diamond Creek interests have in the signing of the Colorado River compact and in the issuance of the permits?

Can it be that the water commissioner did not know of the import of issuing the Diamond Creek permit? Can it be that the water commissioner was prompted by the highest motives for the welfare of the State of Arizona? The Diamond Creek card is played for a colossal stake. With this card passes Arizona's chance to survive.

COLOSSAL ULTIMATE VALUE OF COLORADO RIVER POWER

If, as we believe, the country west of the Rockies will take its place ultimately in commercial balance with the country east of the Rockies—having in mind the Oriental trade—we may well contemplate the ultimate profits involved in the ownership and control of the power of the Colorado River within Arizona. For if the present United States average net income available for dividends upon each horsepower per year, of $36, be taken as a factor, the total ultimate income from the power available on the Colorado River within Arizona will reach the stupendous sum of $144,000,000 per annum, which sum, if capitalized on the basis of 6 per cent per annum, will show a total capitalization of $2,400,000,000 carried by the river. And perhaps a greater stake than this is involved in corralling the Colorado River power in private ownership, thereby preventing the breaking down of Power Trust rates throughout the entire United States and the subsequent depreciation of market values of all Power Trust stock outstanding.

Can it be that the profound facts and deductions therefrom herein mentioned and others have no relationship to the Colorado River compact, and the persistent pressure for its ratification by the controlled press upon the Legislature of the State of Arizona?

ARGUMENTS FOR COMPACT ARE ELUSIVE

The compact in its complexity is a baffling instrument.

We have no seven States compact in force now. The draft of compact submitted is a new deal for Arizona. The burden of proof therefore is upon the proponents of the compact. What is their proof sufficient to overcome all objections? With open minds we have listened, anxious to adopt safe progressive measures redounding to the benefit of Arizona.

According to our first impressions, the first and governing argument submitted in favor of the compact is that an acceptance of the compact by Arizona will unlock some unexplained situation which will result in the construction of some flood control and irrigation and power dam on the Colorado River soon. It should be added that no specific dam is mentioned, no assertion is made that there is any definite corollary promise made by anyone in respect to construction of dams.

It is difficult to meet elusive arguments. We can only search for information and facts which prove the falsity of the assertions. Anxious to know what the Government has in mind, Representative O. S. French sent the following telegram:

PHOENIX, ARIZ., *February 8, 1923.*

HON. CARL HAYDEN, M. C.,
Washington, D. C.:

Has Congress recently appropriated $100,000 for investigation Boulder Canyon, Glen Canyon, and other features of the Colorado River? Please answer immediately.

O. S. FRENCH.

The reply:

WASHINGTON, D. C., *February 10, 1923.*

Hon. O. S. FRENCH,

State Legislature, Phoenix, Ariz.:

Interior appropriation act approved January 24 carries $100,000 for continued investigations of feasibility of irrigation, water storage, and related problems on Colorado River. Similar appropriation has been used for investigations at Boulder and Black Canyons, and this money may be used at Glen Canyon. See answer of Director Davis to question 18 in my remarks.

CARL HAYDEN.

Said question 18 and answer read as follows: (We quote from extension of remarks of Hon. CARL HAYDEN in the House of Representatives, Tuesday, January 20, 1923, printed in the CONGRESSIONAL RECORD of January 31, 1923.)

"Question 18. (Propounded by Mr. HAYDEN to Mr. Davis.) The Interior Department appropriation act for the next fiscal year contains an item making $100,000 immediately available for further engineering investigations on the Colorado River by the United States Reclamation Service. Is it your intention to expend any part of this sum in ascertaining the depth to bedrock and in obtaining other information relative to Glen Canyon dam site?

"Answer 18. It has been our intention to undertake the drilling of the Glen Canyon site and push it to a conclusion next winter, beginning as soon as the subsidence of the summer floods will permit. If, however, the work of the Southern California Edison Co., now under way at this site, results in satisfactory development of foundation conditions, it will not be necessary for the Reclamation Service to put in a drill outfit there."

The following is quoted from "(Public Doc. No. 395, 67th Cong.) Secondary requests: For cooperation and miscellaneous investigations, $100,000. For the continued investigations of the feasibility of irrigation, water storage, and related problems on the Colorado River, and investigation of water sources of said river, $100,000."

It is clear the Government is not now ready and will not be ready for at least two years to recommend a dam site for the first development, and to recommend a comprehensive plan for Colorado River development as a whole; much less is the Government ready to finance projects on the river. The Government and the States do not need a compact for some time. The major argument of the proponents of the compact vanishes in the light of facts.

Do private interests seeking Colorado River power need a compact at once? Perhaps so, but let us find out all about them. Let them lay their cards on the table. Arizona has her cards on the table face up. Let some one in authority speak for the private interests. Let us have reliable facts instead of suggestions, innuendoes, mystery. The Colorado is too powerful to be suppressed.

TRUTH MUST BE HAD

Before the first dam is built we shall have the truth. Let us have the truth now. Away with subtle intrigue. Let the State of Arizona exercise the majesty of its sovereignty and demand the truth. Then we shall make progress.

The assertions of the proponents to the effect that if the plain compact be approved by the legislature at this session, then the Colorado will be dammed soon are unwarranted. Such assertions rest on shifting sands.

Where are the men in this chamber who will shirk the responsibility of exercising the power of the State to demand the truth, the power delegated to them by the electorate?

From the facts that come without seeking any observer may make deductions as to the relations of the compact, if ratified, to private interests seeking power on the Colorado River.

DIAMOND CREEK FINANCING

The Diamond Creek permit is the only license issued by the State for the development of power on the Colorado River. It was issued to Girand, but was transferred to a company admittedly financed by Gen. John C. Greenway, Dr. D. L. Ricketts, and other directors of the mining group. About $100,000 has been expended in exploration work at the dam site. Boast is made that funds are available as soon as the Federal Power Commission license is obtained; $40,000,000 is required for the initial investment. The individuals mentioned can not supply the required funds, nor can the mining corporations they represent supply the funds. There is only one possible source out of which these funds can come, namely, out of the Power Trust banks and trust companies.

THE POWER TRUST IS BEHIND THE DIAMOND CREEK PROJECT

It is reported that General Greenway has announced publicly that he is in favor of the adoption of the Colorado River compact, without amendments, by the Legislature of the State of Arizona, and that he fears the reservations adopted will interfere with and delay the Federal Power Commission permit for the construction of the Diamond Creek Dam, in which he is interested.

A telegram from L. D. Ricketts was published in the Phoenix Republican under date February 14, 1923, as follows:

"The following telegram in relation to the compact was received yesterday from Dr. L. D. Ricketts, who is now in the East: 'February 14, 1923. If the legislature places limitations on the Colorado River compact, it virtually disapproves the pact. I believe the plan included in the pact is a constructive plan and marks a distinct advance, and I believe that the measure should be ratified as proposed in the pact and in the same form as it has already been ratified by the other States.'"

Is it likely that these two men advocate the adoption of the compact at their own financial loss? From the facts, we can come to only one conclusion, viz, that the ratification of the compact is for the best interests of privately owned and controlled power at Diamond Creek, and it follows that the compact is designed for the best interests of the Power Trust in their proposed development of Colorado River projects—a conviction entirely inconsistent with the propaganda carried in the principal dailies of the State to the effect that the Power Trust is opposed to the ratification of the Colorado River compact. We must believe that this press propaganda is put out in the hope of "pulling the wool" over the eyes of the public in this perverted manner, using the prevailing prejudice against the Power Trust in molding public opinion into favoring the ratification of the compact. Another press lie is nailed down by facts.

THE PRESS

Having for the moment before us the subject of press propaganda, and still seeking light as to the best arguments of the proponents of the compact, we may be pardoned for utilizing the time necessary to the study of an editorial appearing in the Arizona Republican of February 16, 1923, and no doubt born in the highest intellectual inspiration called forth by the colossal calamity to Arizona, as pictured in the news colmuns of the same date, reporting the action of the House of Representatives of the Legislature of Arizona in adopting the compact with insurmountable amendments. The editorial follows:

"It is sorrowful sometimes to hear grown men—physically grown men—try to indulge in the unwonted exercise of reasoning. We were reminded of that again yesterday in the comparatively few remarks which were made by those who were giving their reasons why they were opposing the striking off of the reservations from the Colorado River pact.

"Parrot-like—whoever taught it to them must some time have something on his conscience—they declared that they were doing what they could to prevent the sacrifice of Arizona's rights and the rights of unborn children by acceding to the bare pact. What in the name of high heaven could they sacrifice? What right have they in the river that would be surrendered or could be surrendered under this or any other pact that might be formed?

"Do they not know that the compact proposed to give them rights—establish their rights immediately without any action ordinarily required to perfect rights to three times as much water as the State can claim? Do they not know that we have no right of way of the water except what we are now using, and that we can have no right to any more except as we can use it? So, what right of ours was threatened by the pact?

"More absurd even than this declaration of a nonexistent right was the attempted dictation to the United States in the matter of negotiations with another nation.

"The whole thing was calculated to make the gods laugh till they wept."

We surmise, under the stress of impending calamity, the great daily focused within this composite editorial, all the mass propact propaganda in one electric bolt designed to leave all antipact arguments scorched and dissipated.

It is not for the intellects of average men and women to fathom the logic of this editorial. Rather it is for common folk to follow blindly. There is not a studious strain recognizable in the superhuman author, for if there were we should understand his thoughts.

We are still searching for common-sense logic from the propact press of this State and from individual proponents of the compact.

FORMATION AND FINANCE OF THE COLORADO RIVER COMMISSION

By the act of the Arizona Legislature, March 5, 1921, the then governor, Campbell, appointed Water Commissioner Norviel as the Arizona commissioner of the Colorado commission. At the same time $25,000 was appropriated by the legislature to meet the expenses of the necessary investigations.

Also six other States about the same time appointed commissioners to the Colorado River Commission, and each State appropriated $25,000 for expenses, making a total from the seven States of $175,000, all available for investigations of all subjects and factors in connection with the proposal to attempt an adjustment of differences which had theretofore arisen between the seven States in respect to the development of the Colorado River.

By act of Congress August 19, 1921, Mr. Hoover was appointed as chairman of the Colorado River Commission and to take his position

as the eighth member. At the same time the Government appropriated $10,000 for his expenses, thus making a grand total of $185,000 available for research and investigation in connection with the proposal.

LACK OF INFORMATION

In view of the availability of this most adequate sum of money for investigations, it is quite remarkable that there is very inadequate evidence at hand in the form of records and reports indicating what work has been done, and it is strange that the commissioner representing Arizona on the Colorado River Commission recommends the passage of the Colorado River compact by the Legislature of Arizona without submitting with his recommendation tangible record reports showing upon what basis he rested his judgment in signing the Colorado River compact. Shall we take his word for all?

There was available sufficient funds between the seven States to have printed a summary of the main facts from each State, facts upon which the members of the commission, we might surmise, based their conclusions in drawing the Colorado River compact. It is reasonable, indeed, upon the part of the State Legislature of Arizona to expect a printed record making clear the main facts herein referred to.

MEETING OF COMMISSIONERS

After all of the commissioners had been appointed, they met in Washington, D. C., in February, 1922, in conference upon Colorado River matters. Full record reports have not been given out in respect to the proceeding of this meeting; however, we can only conjecture that at the Washington meeting the broad plans for the proposed pact were laid out.

In March and April of 1922 a series of public hearings were held in the Southwest. The first meeting being held at Phoenix, Ariz., the next meeting at Los Angeles, Calif., and other meetings in Utah and Colorado.

At the Phoenix meeting, for the first time, the public learned that the commission had decided to confine the proposed compact to the distribution of the waters of the Colorado River between the various States interested and that the question of hydroelectric power was not to be considered in the compact. This decision of the commission was perplexing and created great confusion at the hearings, and members of the commission repeatedly warned the representatives of the public appearing before them that the discussions must be confined to the distribution of water and that power must be left out. But the Power Trust representatives sat by at each meeting.

Inasmuch as water and hydroelectric power associated therewith in this case are inseparable; and inasmuch as the hydroelectric power of the Colorado River is of such great importance in the Southwest in connection with the development of the Colorado River, the commissioners found themselves unable to maintain the line between the two in the discussions. Under these conditions the commissioners finally abandoned the attempt to confine the public speakers to the distribution of the waters of the Colorado River and without discussing power. The deliberations resolved themselves into full discussions of both water and power.

I will make reference to this phase later.

After making the circuit of the Colorado River Basin States, the commissioners ended the conference, and each proceeded to his own State, Mr. Hoover leaving for Washington, D. C.

No further conferences were held by the commissioners until November of the same year, when the commission met at Santa Fe, N. Mex., for the purpose of drafting a Colorado River compact.

The meetings in Washington, D. C., of February, 1922, were held under executive sessions, the public being kept out.

The conferences at Santa Fe in November were held under executive sessions, and the public was not admitted to the deliberations.

The public knew little or nothing about what was going on in the negotiations between the commissioners of the several States and the United States through the representative of the Government, until the Colorado River compact had been devised and signed by the commissioners and Mr. Hoover. Thereupon, the compact was submitted to each State involved for ratification by the legislature, with recommendations for adoption from each and all of the Colorado River commissioners and from Mr. Hoover.

The compact is considerably involved, and it is difficult to understand it. Certain it is that at this time the majority of the 6,000,000 inhabitants of the seven Colorado River Basin States do not understand the terms of the compact. The bold statement may be made that the legislators of the several States do not understand the terms of the compact, for if legislators of other States have such scant information involving the basis of the compact as have the legislators of the State of Arizona, they could not understand the compact. Nevertheless, upon the recommendations of the commissioners and of Mr. Hoover, five of the sister States have ratified the compact. Colorado and Arizona are still considering the measure.

WHY WAS COLORADO RIVER POWER LEFT OUT OF THE COMPACT?

Having before us this outline of the history of the Colorado River compact, an important question arises as to how and why the question of power was eliminated. Who decided to confine the compact to the distribution of water alone?

If we refer to the act passed by the Legislature of the State of Arizona authorizing the negotiations and naming a commissioner and to the act of Congress authorizing the seven States to negotiate a treaty between the seven States and the United Sates, we fail to find limitations and thus instructions in these acts, confining the deliberations to the distribution of water alone.

The compact, it turns out, is only a partial contract between the seven States and leaves out a most important factor—power—which deficiency now causes great confusion. In fact, this is an insurmountable objection to the compact.

Perhaps there was justification for the secrecy maintained in the negotiations of the treaty. However, another broad view would be that, in consideration of the fact that the United States and seven States were involved in preparation of this contract, the most comprehensive yet attempted between a number of the States, we might give expression to the view that more progress would have been made if all meetings had been open to the public, for such open meetings might have tended to eliminate the growing suspicion that there is something mysterious about the elimination from the compact of a most important factor, viz, power.

As we contemplate one feature or another of the Colorado River compact, we begin fully to realize the magnitude of the task involved in writing a fair treaty between seven States and the Government, devising principles which will work out satisfactorily in detail for the man on the ground wheresoever he may be within the seven States and who will become subject to its provisions. Over 100 years the doctrine of prior appropriation has been forming, and it is still in the formative stage. But look, in the short space of seven months consideration and during two or three brief joint meetings, eight men have the audacity to write a new law to fit seven States and to lay it down over the old laws, admittedly in conflict with the old laws.

What a wonderful opportunity is offered to the Power Trust. Its engineering and legal technicians have the choice of the old or the new law, or the use of both, for harassing the public in respect to power service and as to distribution of irrigation water.

It is our belief that before a workable compact can be attained, if, indeed, a compact be deemed necessary, between the seven Colorado River States, we must include the distribution of water, the general and specific plan of developing the Colorado River with an understanding as to which project shall be built first and the sequence of projects thereafter, flood control, and not the least—power. If all of these were included in the treaty we should be able to understand the Colorado River compact.

Even at this late date, it would be interesting and instructive and it would satisfy the mind of the public to have before it the full transcript of the negotiations and acts of the executive sessions held by the Colorado River Commission.

As it stands now, in passing upon the present Colorado River compact, we come to the conclusions—

That the Colorado River compact as submitted to the Legislature of Arizona is only a partial, inadequate compact, and very confusing.

That the act of the Congress of the United States approved August 19, 1922, and authorizing the seven States of the Southwest to form a compact between them, and the act of the Legislature of the State of Arizona were broad and permitted including in the compact the distribution of water, the selection of dam sites, the plan of developing power, the full contractual relationships of California, Arizona, and Nevada, and that all of these should have been included.

That the compact as written will augment rather than minimize controversies and litigation.

That paragraph (b), Article III, expresses a trade as explained by the Arizona commissioner, Arizona having turned into the "Colorado system" the water from all of its drainage systems in lieu of 1,000,000 acre-feet increase per annum, as measured at Lee's Ferry, and allotted to the Lower Basin (not to Arizona), and the question is raised as to whether Arizona will ever secure any of such increase of water allotted to the Lower Basin.

That there is no provision in the compact for precaution in locations of dams in the river to the end that large agricultural acreages in western Arizona may be irrigated in the future.

That Article III creates definite and excessive Mexican land water rights through the approval of seven States and the United States Government, and that such rights will immediately establish satisfactory sales value for certain American-owned Mexican lands, permitting forthwith sales and transfers of such lands to foreign people, all of which will lead into embarrassing controversies between the United States and foreign countries in the future.

That paragraphs (b) and (c), Article IV, have been violated by one who as commissioner signed the Colorado River compact at Santa Fe, and who, as water commissioner of Arizona, signed the permit authorizing the development of the Colorado River power at Diamond Creek, because: The Diamond Creek site has no reservoir capacity for flood

protection nor for regulating the flow of the Colorado River water to meet irrigation needs; the power from the Diamond Creek, first in the field, will supply the power requirements in regions of Arizona and California, thereby removing the basis of financing and making impossible the construction of other dams on the Colorado River or on other Arizona rivers to meet demands of flood control and irrigation by interests other than the owners of the Diamond Creek power, which means the Colorado River will pass into a monopoly.

That who controls a first power plant on Diamond Creek controls 4,000,000 horsepower in Arizona, ultimately having capitalized values reaching into billions of dollars, controls expansion of irrigation within the seven States and Mexico, and must be appealed to for flood control. Those who doubt this should study the history of the Power Trust in California.

That Arizona must first remove the Diamond Creek impediment before this State can ratify the compact in good faith.

That the Colorado River compact in effect clears the way for the Power Trust to gain exclusive possession of the power of the Colorado River without meddlesome interference of States. The Colorado River compact becomes in reality good collateral for the Power Trust in financing Colorado River power projects. That Diamond Creek rights are, or will be, owned by the Power Trust.

That what is recommended in Articles V, VI, and VII can be performed without a compact. In fact, no seven States compact is needed.

That Article VIII is confusing to the extent that no one can understand its provisions

That Article IX spells litigation.

That it is proposed that 6,000,000 people of seven States shall agree upon a treaty between themselves about shifting and exchanging large parts of property values running into the billions of dollars without having the necessary facts before them and without understanding the terms of the compact. Not even the legislators of the several States understand the terms of the compact, because the terms can not be understood. Before any compact can become effective it must be understood by the people.

That the Colorado River compact is conflicting in its terms and confusing and full of dynamite, and that the Legislature of the State of Arizona should not ratify it, thereby avoiding entering upon a destructive policy, and leaving Arizona free to proceed in constructive work.

That the Legislature of the State of Arizona should not ratify in any form the Colorado River compact now before it for consideration.

That public common sense will in due time make selection of the site for a first dam on the Colorado, and that when a specific project is settled upon, if necessary, our sister States will join our State in conference and settle all specific questions involved. It will not be necessary to disturb the old doctrine of prior appropriation.

Mr. Chairman, in conclusion I desire to say that this question is not to be decided lightly. What action we take here will affect countless millions in the years to come. We must protect the heritage of the people not only of this generation but for all time. This is not a question of persons but of principle, and principles are eternal. I would rather go down to eternal oblivion than to vote for this compact believing as I do that the rights of our people are not fully protected by it. I would be false to those who have elected me as their representative were I to throw away lightly their rights by any hasty or ill-considered action, and therefore before voting to jeopardize what I consider rightfully belongs to the people of this State I shall oppose the ratification of the pact until such time as we are assured that it is for their safety and welfare.

COOPERATIVE BUSINESS

Mr. BROOKHART. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the All-American Cooperative Commission.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COOPERATIVE NEWS SERVICE,
Cleveland, Ohio, December 28, 1925.

AUTOMOBILE COOPERATIVES CUT COST OF CARS

French is a foreign language to Americans, but the meaning of "La Cooperative Automobile" is fairly obvious. It is the name of French societies which put the "auto consumer" right next to the manufacturer, without the intermediary of the automobile dealer. Such high profits have been reaped by these dealers that prospective buyers are not purchasing because of the high retail prices charged by the French auto salesmen.

Thoroughly alarmed, the manufacturers have been glad to enter into alliances with the automobile cooperatives in order to stimulate trade. The dealers, on the other hand, are trying to boycott the factories but without much success.

In Paris and other large cities, cooperatives have also been formed to buy accessories and supplies at wholesale prices. Medical men and trucking companies have led in this move.

CO-OP COTTON ON PARADE

Rocky Mount, N. C., knows all about cooperative cotton marketing. A "King Cotton" parade which traversed the main streets of the city, featuring 200 bales of the white fluff, is responsible for Rocky Mount's knowledge.

"We are members of the cotton pool," "Over 300,000 strong," "Organized selling—not dumping," and "On the way to the world's best market" were some of the slogans carried high on banners. King Cotton parades are a common feature in cotton centers, the idea being sponsored by the North Carolina Cotton Growers' Association.

PEOPLE'S BANK HAS $15,000,000 RESOURCES

America's huge labor banking institutions can look with no little respect on another people's banking chain which has rolled up an enviable record of $15,000,000 in resources in the span of a few years. It is the "Ukrainbank," otherwise known as the All-Ukrainian Cooperative Bank with headquarters at Kharkov and branches in every city of Russia's granary, the Ukraine, which lies between Russia proper and former Austria-Hungary. Foreign branches of this powerful cooperative bank have been established in Berlin and London.

More than 2,500 consumers' cooperatives are affiliated to the Ukraine Bank, while 2,500 cooperatives of other types pool their financial resources in the Kharkov institution. The Ukrainbank has close connections with the Narodny Bank, the remarkable cooperative bank in Moscow, the largest bank outside of Government-controlled financial agencies in the Russian Republic.

COOPERATIVE LAUNDRY BIGGEST IN EUROPE

Europe's largest and most modern laundry is, of course, cooperative. It is the Longsight unit of the Manchester District Cooperative Laundries Association, opened recently with speeches from members of Parliament, city councilors, and other notables to add to the impressiveness of the dedication.

American laundry machine makers at Troy, N. Y., contributed largely to the equipment of this fine plant, an automatic marker, electrically driven "hydro-extractors" or driers, mangles, and similar devices insuring utmost economy to Manchester cooperators in their laundry service. The building was constructed by the Cooperative Wholesale Society's building department, and shop fittings came from the Cooperative Wholesale Society's factory at Broughton.

A fleet of trucks and delivery wagons, two other plants, and 500 workers bear witness to the size of the Manchester laundry co-op, while the humane conditions for its force are measured by its wage for women employees, $2 a week above the regular rate.

CO-OP EGGS TRAVEL IN OWN CARS

Refrigerator cars, brilliantly painted with their trade-mark, are now carrying Washington Cooperative Egg and Poultry Association shipments to the east coast. When shipped in ordinary cars, eggs endure sudden changes in temperature while in transit over the mountains and across the Mississippi Valley. The new cars were built in the "vacuum bottle" style to obviate these changes.

Sales of eggs by the Washington State association for the first eight months of 1925 amounted to $3,650,000, a 50 per cent increase over the similar period of 1924. The eight months' business in eggs, poultry, and feeds amounted to nearly $7,000,000.

CO-OP NEWS SERVICE AIDS INTERNATIONALISM

The All American Cooperative Commission publishes its weekly News Service in order to "tell the world about cooperation." That it succeeds literally in its mission is attested by the foreign countries subscribing for the service. They include Poland, Victoria, England, Italy, Holland, Ireland, France, Switzerland, Austria, Russia, India, Germany, Belgium, Canada, and Esthonia.

Although reaching millions in North America weekly with the news about the cooperative movement, the Cooperative News Service is also as widely read abroad, where it is reproduced in leading cooperative magazines of Europe, Asia, and Australia. The international scope of the Cooperative News Service is attested by the fact that many European cooperative papers glean from it interesting bits of news from other European countries, which the enterprising American Cooperative News Service has received from its correspondents in other lands, often translating these news items from a foreign language.

WORKERS' FLEET BUYS WIRELESS TELEPHONES

The workers' cooperative "Armement Ostendais," known as the "Red Fleet" with headquarters at Ghent, has in the four years of its existence grown into the principal fishing concern in Belgium. With the recent purchase of three vessels, its fleet now totals 20 ships. As the result of successful experiments in speaking between ships 150 miles apart by wireless telephone, the entire fleet is to be equipped with this device as a safety measure.

WINTER CUKES ARE PROFITLESS

Cucumbers that grow in glass houses are doubly welcome. That's because they are ready for the market in the middle of winter. Cucumbers that grow in cooperative glass houses are even more wel-

come. That's because the profit has been squeezed out of them before they reach the consumer's table.

They do it in England, where the Enfield Highway Cooperative Society specializes in cucumber and tomato production, producing its crop under glass.

COOPERATORS NOT IMPERIALISTS

When the (English) Cooperative Wholesale Society went into Africa for the raw materials for its soap factories, it voluntarily paid the natives six times what the capitalist interests were paying them for similar labor. Cooperative ideals prevented the robbery of the helpless, says the Cooperative News of New South Wales.

CO-OP SHOES ALL LEATHER

Paper shoes for which leather prices are charged are known in England as well as here. The cooperatives have conducted a vigorous campaign to inform purchasers that shoes with cooperative labels are honest shoes.

TAXATION AND GOVERNMENTAL EXPENDITURES

Mr. JONES of Washington. Mr. President, I have before me an article taken from Nation's Business, written by Representative MADDEN, of Illinois, who is chairman of the Committee on Appropriations of the House of Representatives. I think it would be well if every citizen could read the article, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAXES? IT'S UP TO YOU!

(By MARTIN B. MADDEN, Chairman House Appropriation Committee)

I am taking time to prepare this article for "The Nation's Business" because its readers are American business men. From my experience these men are in need of first-hand facts about what Congress is doing toward economy in government. While the business man is heart and soul for saving and tax reduction, apparently he is at the same time quite ready to urge appropriations for purposes that may have a special appeal to him or to his community.

Some time ago I spoke before the Chamber of Commerce of St. Louis. No audience could have shown itself more heartily in favor of elimination of waste in Government expenditures. Its approval was enthusiastic and unanimous. On my way out of the meeting room about a dozen of those very same men came to me, individually, to urge appropriations for objects which happened to have a particular interest to them, and almost every one of them told me that his appropriation was vital to the welfare of the Government. And I believe every one of them was perfectly sincere about it, whether his interest lay in a development of Three Finger River or in the preservation of the wild rabbit.

HIGHER THAN USUAL

Of course, if Congress should fail to make reductions in expenditures that would be reflected in lower taxes, these same men would feel justified and would be justified in offering criticism.

High taxes result from high cost of government. What is the Nation's pocketbook; how does it supply the funds with which to fill it?

The Nation, so to speak, has no pocketbook. It draws from the pocketbook of the people for what funds it needs to conduct the Government, and the draft on the people's pocketbook is light or heavy, depending upon the economy or extravagance of the Government.

We are living in a period of high taxes. That is because the government costs are higher than usual, but the costs of government in the Nation are not as high as they were. Those in command of the Nation's Government have been devoting themselves energetically to reducing the costs since the close of the war. During the war period, of course, the cost was high, extremely high; indeed, the entire expenditures during the war period were more than twice as much as the cost from the day of the signing of the Declaration of Independence to the day war was declared against Germany.

SURPLUS CREATED

Prior to the war the annual cost of the National Government amounted to about a billion dollars. In 1919, the year after the close of the war, the cost amounted to nineteen billions. That has been reduced until now it amounts annually to but three and a half billion dollars.

Since the war closed the committee over which I preside has refused administrative requests for funds amounting in the aggregate to $4,236,000,000. This has resulted in creating a surplus which has been used to pay off $5,000,000,000 the public debt, which was $25,500,000,000 at the close of the war and is now $20,500,000,000.

During the period in which this reduction of the public debt has taken place the tax on incomes has been reduced to $1,250,000,000; $800,000,000 was taken off in 1921 and $450,000,000 in 1924.

The work of the appropriating authorities in reducing government costs is neither pleasant nor easy; it is onerous, but it has to be done, and we do it as thoroughly as we can; we do not allow anyone to drive us into an appropriation for an extravagant waste if we understand the situation, and we endeavor to understand the situation thoroughly.

For example, when an appropriation is requested, witnesses are called. They are required to testify on every phase of the purpose for which the money is required, and we sometimes find that the branch of the administrative service requesting the appropriation is endeavoring to perform a function that is already being performed by another branch. Again, we sometimes find that the function sought to be performed is unnecessary, and we sometimes find that the proposed cost of performing a necessary function is too high, and we have to reduce it.

We analyze every request made and compel the witnesses to testify in very great detail, and unless the sort of case is made that would be required to be made by a person wishing to borrow money at a bank, the appropriation is denied.

MEAL ESTIMATE OFF $7,000,000

As an instance, we had officials from the Shipping Board lay their budget before us for $125,000,000. When we went over the figures we found an estimate of $1.25 a day for meals for each of the 40,000 men employed on ships, whereas the actual cost for the preceding year was 75 cents a day.

The difference in that one item between what was asked and what was actually needed amounted to more than $7,000,000 a year. What the average business man would do if he had responsible men in his institution submit an estimate of that nature I do not know, but I have an idea. When the appropriations were finally made, instead of receiving $125,000,000 out of the Treasury, the Shipping Board was given $48,500,000.

In the course of our investigation we cut all duplication and triplication in the departments and bureaus. We aim to have only one agency performing the same function. We do not always succeed in eliminating all duplication, because we do not always succeed in finding this duplication, but wherever it is found it is eliminated.

It is not at all unusual with all of the bureaus and divisions and overlapping activities of the various departments of the Government to have a request for an appropriation for certain work come from one department and then in the course of time have a demand for money for almost the identical work come from another. Sometimes the item may be only $10,000 or $12,000. The only way we can guard against this duplication is by constant investigation and study.

We frequently have an agency come for money to enable it to engage in some worth-while investigation, but when requested by the Committee on Appropriations to show why this particular agency should make the investigation it frequently happens that no good reasons can be given.

The Committee on Appropriations is always able to show whether such an investigation has already been made and if so what the result of it has been. In every such case we not only prevent duplication, but prevent actual expenditure by refusing further funds for that purpose.

Unfortunately, the Congress can not rely for information fully upon sources that would seem to be unquestionable. Perhaps it is human nature that a man who is engaged in a certain line of work exaggerates its relative importance and makes his estimates accordingly. After the war we had a large Army and Navy, and when the thoroughly trained officers made up their budgets we found that the combined estimates for the two services, including universal military training, reached $2,800,000,000 a year, or almost three times as much as all of our Government expenses 20 years ago.

These men honestly believed that that amount was necessary for the maintenance of proper defense for the Government, and it was our business to show them how impossible their estimates were. Who was going to pay for this?

Or, to take a later instance, when the Navy officials asked for $11,500,000 for surplus fuel we found that they thought they might possibly require that, but proved to them in fact that they did not. They got along without it.

We have had a large personnel estimate laid before us, carefully prepared, showing that the fleet required a certain number of men; that these were absolutely necessary to the peace-time maintenance and operations. We allowed them every ship they asked under this estimate, and then when we actually checked up the necessary crews for all of those ships we found that there was still a surplus of 29,000 men without any specified duty or any specified place.

It would be reasonable for the Member of Congress to expect definite support from the business men, from all the citizens and taxpayers, in this effort to eliminate waste.

The country is for economy; we all agree. But let the chief of some minor bureau of the Government come before us with assessments. The moment he finds that we are cutting down what he thinks necessary, telegrams go out to organizations, individuals, over the entire country, and the next morning we will have a thousand telegrams urging us to grant this particular appropriation as it is "vital to the welfare of our Government."

We have found many instances where the very men who sent us telegrams urging these expenditures have written us a few days before and a few days after demanding that we cut appropriations and reduce taxes. For a while we called their attention to this, but we have even ceased that. These letters and telegrams, this manufactured influence, to spend, spend, spend, I should say right here are without effect. We feel that the responsibility lies with Congress and we are ready to accept it, and all of that class of matter goes into the waste-basket.

THE PEOPLE MUST COOPERATE

At the close of the fiscal year, June 30, last, the Government had a surplus of $250,000,000, which was applied to the payment of the funded debt. It is expected that at the close of the fiscal year June 30 next, there will be a surplus of between $350,000,000 and $375,000,000, and this surplus will be applied to a reduction in taxes amounting to something like $350,000,000.

It is hoped that the Congress early in the new session will present and pass a revenue act providing for this reduction and thus give the income taxpayers of the country the benefit of the reduced rates on the schedules which they will be called upon to file on the 15th of March.

Nothing but the most diligent and determined effort on the part of those charged with the responsibility of conducting the Government has made the reduction of the public debt and tax rates possible.

While the National Government is reducing its expenses, the city, county, and State governments are increasing theirs, so that the taxpayers are probably not paying less in the aggregate than they were before the Government cut its expenses to the bone. The difficulty lies mainly with the people themselves; they continue to insist on Government activities which ought not to be assumed and they demand appropriations which ought not to be made, unmindful that every appropriation must be followed by a tax.

If the taxes are to be reduced in keeping with the general trend of sentiment there must be cooperation on the part of the people with the Government officials who are anxious for an economical Government. The people themselves can not continue to insist on Government activities unless they are willing to pay the cost.

Cities frequently shift as much of their burdens as they can to the State, and the State finally endeavors to shift its burden to the Nation. Whichever unit of Government conducts the activity demanded by the people, the people themselves pay the cost.

The best government is that which is closest to the people. The people themselves should keep a watchful eye over their Government officials; they should insist on proper economy; they should demand that no Government activity be engaged in which is unnecessary; they should keep constantly in mind the fact that the Government has no machinery of its own with which to make the funds to pay the bills. They should realize these bills can only be paid through tax levies; that the tax levies must be imposed upon the people, and that in the last analysis, whether the National Government or the city or State government imposes the tax, the people pay it. The people must not delude themselves with the thought that the transfer of the activity from one Government agency to another will relieve them of the tax burden; it will not, it can not, for the people make up the Nation, whether within or without State lines, and the Federal Government is but the agency of the people wherever they may live within the confines of the Nation.

You taxpayers may think that when you are passing an activity with its attendant costs from the city to the State and from the State to the Federal Government, you are also passing the taxes to the Federal Government. Think it over and you will find that eventually you yourself pay the cost just the same. The only difference is that you are putting some one in charge of that activity who is located perhaps a thousand miles away from where the work is being done. You would probably have saved money and obtained better results if you had kept the supervision in your own community.

The men who file tax schedules are not the men who pay all the taxes. The man who really files a tax schedule and pays the amount called for on its face into the Treasury adds the amount of the tax to the cost of the article which he sells to the man who has no tax schedule to file, so that in the long run the man who thinks he escapes the tax is the man who pays it.

If this fact could be impressed upon all people, those who pay taxes direct and those who do not, it would be easy to make them understand that when bonds are proposed to be issued by governments for unjustifiable purposes the vote cast for the authority to issue these bonds by the government officials is a vote to impose additional burdens of taxation on those who cast the votes.

If, for example, as the case now is, rents are tremendously high, those who rent must realize that there is a cause for this. What is the cause? Let's stop and think about it for a minute. Is it because the owner of the building is avaricious and demands an excessive rent that is unjustifiable or is it because the investment in the property makes it impossible for him to do otherwise?

Building costs are much higher than they ever were. An analysis of what enters into the cost might not be amiss at this point. Before the war bricklayers, for example, laid something like 2,500 bricks a day in a 12-inch wall and received $4 a day for their work. To-day I understand they lay 650 bricks and receive $12 and $16 a day. A plasterer before the war put on 150 yards of plaster a day and received from $3 to $4 a day, whereas now he puts on 30 yards and receives $25.

The cost of everything else entering into building construction is in proportion to this, and hence it is readily seen that the building costs four times as much as it formerly did. Therefore the rents are correspondingly high, so that the fact is that the man who pays the rent pays the tax, for in addition to the building cost the tax is added to the rent. So the citizen who is not called upon to file a schedule indicating his income must realize that the burden of taxation falls upon him.

If he could get that clearly in his mind and act accordingly, the costs of rents and of commodities which he is called upon to pay for out of his meager income would be reduced to the extent that the cost of building construction and taxation is excessive.

But it is not confined to building construction and taxes; it applies everywhere, and while we frequently hear it said that John Jones pays the volume of taxes, John Jones transfers what he pays to the man down the line who is presumed to pay no taxes. The remedy for this, as I have said, lies with the man down the line. He is the most numerous of our citizens. He can, by his vote, prevent wasteful expenditures in government and to the extent that he prevents this wasteful expenditure he reduces the high costs.

How often we hear the call for business methods in government. To-day we have a Congress that is in fact a body working on a business basis.

PORK BARREL HAS DISAPPEARED

The Member of 40 years ago would not know his way about a Congress of to-day. Once it was a debating society; now a business organization. "In the good old days" the pork barrel was the main point of interest; to-day it is almost nonexistant. There are just as good orators in Congress to-day as there ever were, but there is no time for oratory.

Congress as it stands to-day is the only representative of the one great unorganized class—the taxpayer, and his is the only side we can see.

We are surrounded by an almost endless number of highly organized groups, each enthusiastic about its own activity and each using every possible effort and influence to have the Government support its purposes with liberal appropriations. They can use every dollar allotted and always are firmly convinced they need more. Their friends are in every corner. It is this great massed influence that we as representatives of the unorganized taxpayers have to resist, and it takes 12 months a year to do it.

Here again I want to call attention to the fact that the people themselves have the remedy. They can demand of their officials that economy be exercised and that demand, once observed, will bring about the desired result.

Before the war the country owed a billion dollars and the annual interest charge amounted to $22,000,000. At the close of the war, as I have previously stated, the aggregate of the national debt was $25,500,000,000 and the interest paid annually $1,024,000,000. The reduction of the debt by $5,000,000,000 has reduced the interest by $144,000,000 a year.

High rates of taxation on incomes have forced many people who have had to pay large taxes to invest their savings in tax-free securities. For example, incomes of a certain class paid 73 per cent in taxes. That has been reduced to 42 per cent. I have always maintained that in times of peace people will not work to earn an income upon which they are required to pay 73 per cent nor even 42 per cent to the Government.

A maximum 15 per cent surtax rate on incomes would, I believe, yield to the Treasury as much if not more than the 42 per cent rate, and I favor the limitation of a 15 per cent maximum surtax on incomes. I think, too, that a 5 per cent maximum normal tax should be the limit, and on incomes from $1,000 to $5,000 I think the tax rate should not exceed 1 per cent.

Estate taxes should be abolished. The collection of this tax tends to bankrupt the estate, and I prefer a live, taxpaying estate to a bankrupt, mortgaged institution which takes it out of the taxpaying class. Tax publicity should be abolished. It serves no good purpose.

If there is anything which seems absurd in our tax system, it is the requirement for the payment of a tax on gifts. If a man wants to give something away, why should he have to pay a tax for the privilege of doing it?

We have many nuisance taxes that are annoying and useless and expensive of collection. They should be abolished. Taxes on automobile sales, I think, may be classed as one of these. The automobile is taxed for almost everything now. In most States there is a gasoline tax, and they all have a license tax. Every time the wheels of an automobile turn around there is a new tax applied.

GAS TAX THE MOST EQUITABLE

The most equitable tax, I think, to be applied in connection with the operation of automobiles is the gasoline tax by the States. That

tax is easy to collect. It can be used for the construction and maintenance of roads, and the automobile owner who pays it pays for just the amount of use he makes of the road. What is there that could be more just than that?

First and last let it be remembered that the American people have always been in the habit of demanding the things they want when they want them, and then when the time comes to pay the tax on the things they demanded and received, they complain of the high cost of government.

To obviate that, I recommend the cooperation of the people, either through organizations or otherwise, with those of their officials who are inclined to give an economical administration of public affairs. They can cooperate either as individuals or as organizations, and in the creation of decent public sentiment in favor of economy in government they can present their views to those who are responsible for the conduct of the Government.

Their views will be welcomed. They are invited to present them, as far as this section of the Government goes, and to the extent that it is possible to act upon them they will receive consideration.

This kind of cooperation throughout the country among the people with the officials will bring about economy in Government, reduction in taxes, more contentment, more employment, more development of industry, and more happiness in the homes.

ALUMINUM CO. OF AMERICA

Mr. WALSH. Mr. President, I desire to present to the Senate this morning two resolutions touching a matter so urgent in character as to admit of no delay, and I shall accordingly ask for their immediate consideration by the Senate.

Mr. CURTIS. As the Senator is going to ask unanimous consent for the present consideration of the resolutions, I suggest that he first have them read.

Mr. WALSH. I ask leave to explain the nature of the resolutions first.

Mr. CURTIS. Very well.

Mr. WALSH. In the year 1912 a decree was entered by consent in the United States Court for the Western District of Pennsylvania against the Aluminum Co. of America, the effect of which was to restrain it from certain practices of commerce alleged to be monopolistic in character or at least tending to the creation of a monopoly. In the year 1922 Senate Resolution 127 was adopted directing the Federal Trade Commission to inquire into the condition of industries producing household utensils. They made special inquiry into the matter of the production of utensils of aluminum, as the result of which they reached the conclusion that the Aluminum Co. of America had been guilty of practices violative of the decree of the court in 1912 in continuing the practices which were enjoined by that decree. They reported their findings to the Attorney General of the United States in the month of October, 1924, it being the duty of the Attorney General under those circumstances to inquire whether proceedings in contempt under the criminal statute should be instituted.

The Attorney General reported to the chairman of the Federal Trade Commission on the 30th day of January, 1925, that upon a study of the report, with the documents transmitted therewith, he found that the charges so made by the Federal Trade Commission were well sustained and that the Aluminum Co. of America was in contempt in consequence of a violation of the decree; but he stated in his letter to the commission that its inquiry had been carried on only down to the year 1922 and he found it necessary to continue the investigation to ascertain whether the practices thus denounced, violative of the decree of 1912, had been continued after the year 1922, the occasion being that there is a one-year statute of limitations against proceedings for contempt for the violation of a decree of this character and it became necessary to ascertain whether the practices were continued down to a period within one year prior to the institution of the proceedings.

Attorney General Stone went out of office and became Associate Justice of the Supreme Court of the United States and the investigation has presumably been continued by his successor, the present Attorney General. On last Saturday, the 2d day of January, 1926, the Assistant Attorney General, William J. Donovan, gave to the press a statement to the effect that the investigation was still being continued, that it was in progress, and that a report might be expected within a period of three weeks from that date, which would carry it down to about the 23d of the present month. Now if the Aluminum Co. of America, warned by the report of the Federal Trade Commission that proceedings for contempt might be instituted against it if it continued those practices, discontinued those practices in October, 1024, the statute of limitations has already run against proceedings for contempt and none can be instituted. If, however, it treated the report of the commission with the same contempt with which it treated the decree of the United States Court for the Western District of Pennsylvania and continued those practices down to the time when the Attorney General reported that he found it was so guilty of those practices, namely, the 30th day of January, 1925, and proceedings for contempt are not instituted before the 30th day of January, 1926, the statute of limitations will have run.

Accordingly, Mr. President, I shall submit two resolutions, the first providing that the Committee on the Judiciary be directed forthwith to institute an inquiry as to whether the investigation directed by Attorney General Stone has been prosecuted with due diligence. Of course, if it takes a year or more than a year to ascertain whether any of the great corporations, against which decrees have been rendered enjoining them from certain practices, have actually been guilty or not, we shall have to extend the statute of limitations or else wipe it off the Statute Book.

The other resolution deals with another feature of the situation. The commission reported on the 10th day of October, 1924, to the Attorney General sending him an advance copy, a typed copy, of their report which would presently be printed, to the effect that this violation of the decree had taken place. A few days afterwards the commission passed a resolution directing that a copy of their report be sent to the Attorney General together with all evidence gathered by the commission.

The commission, as it is well understood, is equipped with a most extraordinarily efficient body of investigators and economists who are able to appreciate the effect upon commerce of particular evidence. A large portion of this evidence they got from the Aluminum Co. of America itself and from its correspondence with various parties. They directed that all of this be transmitted to the Attorney General in accordance with a practice that had been observed, I take it, from the beginning of the work of the commission. But they found that the evidence was so voluminous that they subsequently sent word to the Attorney General that the time necessary and the expense attendant upon the matter was so great that they would put the matter at his disposal and he could send a representative to the commission to take copies of all of the evidence. Accordingly the Attorney General sent word that a representative of the Department of Justice would go to the commission and make copies of all of the evidence.

The next day the commission by a vote of 3 to 2 adopted a resolution to the effect that they would not permit the Attorney General to make an inspection or to have access to any part of this evidence which came from the Aluminum Co. of America. So the investigation is being conducted by the Department of Justice without the aid of the all-important evidence in the possession of the Federal Trade Commission which they secured from the files of the Aluminum Co. of America.

Mr. OVERMAN. Did they give any reason for declining to allow the Attorney General to have copies of the evidence?

Mr. WALSH. The resolution of the commission is set out in the resolution which I shall offer. I send the resolutions to the desk and ask that the clerk read the one first referred to.

The VICE PRESIDENT. The clerk will read as requested.

The Chief Clerk read the resolution (S. Res. 109), as follows:

Whereas under and pursuant to Senate Resolution 127, Sixty-seventh Congress, second session, the Federal Trade Commission conducted an investigation of the aluminum cooking-utensil industry, as a result of which it found, and on October 8, 1924, reported to the Attorney General, that the Aluminum Co. of America had been pursuing practices in commerce violative of the decree of the District Court of the United States for the Western District of Pennsylvania, rendered in the year 1912, and was consequently in contempt of that court; and

Whereas on the 30th day of January, 1925, the then Attorney General, Hon. Harlan F. Stone, addressed a letter to the chairman of the Federal Trade Commission in which he stated: "It is apparent, therefore, that during the time covered by your report the Aluminum Co. of America violated several provisions of the decree; that with respect to some of the practices complained of—they were so frequent and long continued—a fair inference is the company either was indifferent to the provisions of the decree or knowingly intended that its provisions should be disregarded, with a view to suppressing competition in the aluminum industry"; and in the said letter stated that inasmuch as the investigation conducted by the Federal Trade Commission was carried down only to the year 1922 it became necessary to prosecute a further inquiry to ascertain whether the practice as announced had been continued since that year, which investigation he asserted the department would have made, the necessity for it arising from the fact that under the law no proceeding for contempt can be maintained unless begun within one year from the date of the act complained of; and

Whereas on the 2d day of January, 1926, a statement was given to the public press by Assistant Attorney General William J. Donovan to the effect that such examination is still in progress and that its completion might be expected within three weeks; and

Whereas if the unlawful practices charged by the Federal Trade Commission to have been pursued were discontinued upon the making of their report to the Attorney General the statute of limitations will already have run against any proceedings for contempt based upon such practices, and if they were continued thereafter and discontinued only upon the promulgation of the letter of the Attorney General on the 30th day of January, 1925, the statute will have run on the 30th day of the current month: Be it

Resolved, That the Committee on the Judiciary of the Senate be, and it hereby is, directed forthwith to institute an inquiry as to whether due expedition has been observed by the Department of Justice in the prosecution of the inquiry so initiated on the direction of former Attorney General Stone, or which he reported would be initiated.

Mr. WALSH. Mr. President, for the information of the Senate I ask that the Secretary read the second resolution which I have offered.

The VICE PRESIDENT. The Secretary will read as requested.

The resolution (S. Res. 110) was read, as follows:

Whereas under and pursuant to Senate Resolution 127, Sixty-seventh Congress, second session, the Federal Trade Commission conducted an investigation of the aluminum cooking utensil industry, as a result of which it found, and on October 8, 1924, reported to the Attorney General that the Aluminum Co. of America had been pursuing practices in commerce violative of the decree of the District Court of the United States for the Western District of Pennsylvania, rendered in the year 1912, and was consequently in contempt of that court; and

Whereas on the 30th day of January, 1925, the then Attorney General, Hon. Harlan F. Stone, addressed a letter to the chairman of the Federal Trade Commission in which he states, "It is apparent, therefore, that during the time covered by your report the Aluminum Co. of America violated several provisions of the decree; that with respect to some of the practices complained of—they were so frequent and long continued—a fair inference is the company either was indifferent to the provisions of the decree or knowingly intended that its provisions should be disregarded, with a view to suppressing competition in the aluminum industry," and in the said letter stated that inasmuch as the investigation conducted by the Federal Trade Commission was carried down only to the year 1922, it became necessary to prosecute a further inquiry to ascertain whether the practice as announced had been continued since that year, which investigation he asserted the department would have made, the necessity for it arising from the fact that under the law no proceeding for contempt can be maintained unless begun within one year from the date of the act complained of; and

Whereas on October 17, 1924, the Federal Trade Commission adopted a resolution as follows, to wit, "That the report (being an advance typed copy of the report above referred to) and all evidence in support thereof be transmitted to the Attorney General forthwith"; and

Whereas the transcribing of the evidence for the use of the Attorney General involved so much time and expense that on October 20, 1924, the chairman of the commission addressed a letter to the Attorney General in which he said that the better course would be to grant him "immediate access to the files at the office of the commission. * * * Accordingly the commission extends to you and your representatives an invitation to examine the evidence in support of this report in the files of the commission, with the understanding that such portions as are desired by the Department of Justice will be photostated and copies furnished. The commission will be glad to place at your disposal an office adjacent to the files, and will also furnish the assistance of an employee familiar with the contents of the files to aid your representative in the examination.

"By direction of the commission";

And

Whereas on February 10, 1925, the Federal Trade Commission by resolution extended a further invitation to the Attorney General to examine all evidence in its possession, upon which said report was based, which brought from the Department of Justice the information that a special agent of that department be granted the privilege of inspecting and making copies of the evidence in the possession of the commission in support of its report; and

Whereas on the 11th day of February, 1925, the commission adopted a resolution in terms as follows:

"That in accordance with a previous ruling by the commission upon a similar state of facts, that the information requested be furnished by the commission subject to the qualification that material obtained from the Aluminum Co. of America itself shall not be made available, but shall be kept confidential"; and

Whereas the investigation so directed by former Attorney General Stone is being prosecuted by the Department of Justice without the aid of documentary and other evidence in the possession of the Federal Trade Commission, obtained from the Aluminum Co. of America and otherwise, upon which its said report was founded:

Resolved, That the Attorney General be, and he hereby is, directed to advise the Senate whether, in his opinion, the objection of the Federal Trade Commission to his having access to the evidence in its possession upon which its report was founded is well sustained in law, and if in his opinion it is not, what steps he has taken or contemplates taking to require said commission to permit him to have access to and to take copies of the same.

Mr. WALSH. I now ask unanimous consent for the immediate consideration of the resolution which I first submitted.

Mr. BORAH. Mr. President, I desire to ask the Senator from Montana a question before we proceed with the consideration of the resolution. As I understand, under one condition of facts which the Senator has stated the statute of limitations has already run with reference to contempt proceedings in this case?

Mr. WALSH. Yes.

Mr. BORAH. And also that with reference to another state of facts it is supposed that the statute will expire about the 27th of this month?

Mr. WALSH. It will expire on the 30th of this month.

Mr. BORAH. I have only this suggestion to make: If the inquiry should be completed we would likely not be able between now and the 30th to enact the amendment extending the time, would we?

Mr. WALSH. I realize that the time is exceedingly brief.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Montana yield for another question?

Mr. WALSH. Yes.

Mr. REED of Pennsylvania. Has the Senator any reason to think or any evidence to show that acts did occur up to the 30th of January of last year and terminated then? In other words, has the Senator reason to think that the statute will run on the 30th of this month, or is that purely hypothetical?

Mr. WALSH. I have no information whatever as to whether the Aluminum Co. did continue its violations and is still every day in violation of the decree or whether it, warned, as it naturally would be, stopped; but if it did stop—and one would naturally think that it would—the statute of limitations is running.

Mr. REED of Pennsylvania. But the use of the date January 30, 1925, is entirely hypothetical?

Mr. WALSH. Not at all.

Mr. REED of Pennsylvania. And is based on that supposition?

Mr. WALSH. Not at all. The Attorney General of the United States recites that they have been violating the terms of the decree. Of course, that means if they continue to do that they are going to be cited for contempt. They might prior to that time have taken a chance, but I would naturally think they would be so apprehensive about what a court would do under those circumstances that they would discontinue their violations.

Mr. REED of Pennsylvania. I myself know nothing about it; but it seems their apprehension would have arisen when the Federal Trade Commission reported in October, 1924.

Mr. WALSH. That may be right.

Mr. REED of Pennsylvania. I agree with the Senator that the statute of limitations is altogether too brief in time.

Mr. WALSH. Bear in mind, I do not so assert, and I am not prepared to assert, that I would agree to extend the period of the statute unless upon the investigation which I ask it is disclosed that by the exercise of reasonable diligence the facts can not be assembled in a year. My own judgment about the matter is that three months ought to be ample.

Mr. REED of Pennsylvania. It occurs to me that the adoption of the resolution by the Senate without any effort to secure an explanation from the Attorney General by correspondence or inquiry involves a sort of reflection upon the Attorney General which the facts scarcely justify.

Mr. WALSH. I would hardly say that.

Mr. REED of Pennsylvania. For that reason I think, Mr. President, I will ask that the resolution go over under the rule until to-morrow.

The VICE PRESIDENT. At the request of the Senator from Pennsylvania, the resolution will go over under the rule.

Mr. WALSH. Then I ask unanimous consent for the present consideration of the second resolution.

The VICE PRESIDENT. Is there objection?

Mr. REED of Pennsylvania. I make the same request in that case.

The VICE PRESIDENT. The resolution will go over under the rule.

THE TARIFF COMMISSION

Mr. WADSWORTH. Mr. President, has morning business closed?

The VICE PRESIDENT. Morning business has not closed. Concurrent and other resolutions are in order. If there be none, the Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 103) submitted by Mr. SMOOT January 4, 1926, as follows:

Resolved, That the Committee on Finance of the United States Senate is hereby directed to conduct an investigation of the operation of section 315 of the tariff act of 1922 and of the functions and activities of the United States Tariff Commission, and report to the Senate the results of its investigations, with recommendations, before the close of the present session.

The investigation shall relate, among other subjects, to—

First. The powers conferred upon the Tariff Commission by section 315.

Second. The rules and regulations adopted by the Tariff Commission for the application of the statute.

Third. The procedure of the commission in the conduct of its investigations and of its public hearings.

Fourth. The number and nature of the applications received by the commission for action under section 315.

Fifth. The number of investigations instituted.

Sixth. The number of investigations completed.

Seventh. The methods employed to ascertain domestic and foreign costs of production.

Eighth. The methods by which the principal competing country is determined.

Ninth. The methods by which the difference in costs of production in the United States and in the principal competing country are ascertained.

Tenth. The part taken by economists and experts of the staff in investigations conducted pursuant to the provisions of section 315.

Eleventh. What use has been made of invoice prices as evidence of cost of production and in what manner such use of invoice prices could be extended.

Twelfth. The difficulties, if any, encountered in the application of the provisions of section 315, and amendments to or changes in section 315 that appear necessary or desirable.

The committee is authorized to summon witnesses, administer oaths, take testimony, and to require the production of papers, books, and records of the Tariff Commission, so far as authorized by law.

Mr. SMOOT. Mr. President, as Senate Resolution No. 102, which was submitted yesterday by my colleague [Mr. KING], necessarily will have to be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, I do not want to take any advantage of that fact, even if I had the right to do so, I, therefore, suggest that the resolution of my colleague, together with the resolution which has just been read, may be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. BORAH. Mr. President, in reading the resolution I did not observe whether there was any inquiry proposed as to the constitutionality of section 315.

Mr. SMOOT. No; there is nothing in the resolution specifically that provides for an inquiry into that question. The broad inference is that that question could be considered as well as others; but there were certain questions which I wanted to have especially considered, and, therefore, I mentioned them in the resolution.

Mr. BORAH. May I ask, has the Senator or any member of the Finance Committee introduced a bill to repeal section 315?

Mr. SMOOT. It has not come to my attention that any Senator has introduced such a bill.

Mr. LENROOT. It would not be in order in the Senate, anyway.

Mr. SMOOT. No; I may state to the Senator that it would not be in order in the Senate, anyway.

Mr. BORAH. What would not be in order?

Mr. SMOOT. Under the Constitution, the House of Representatives must originate the legislation.

Mr. BORAH. So far as this particular measure and this particular provision are concerned, I do not agree with the Senator.

Mr. SMOOT. It either raises revenue or decreases it, as the case may be.

Mr. NORRIS. Mr. President, I should like to make an inquiry of the Senator from Utah. Has he an understanding with his colleague, who appears not to be in the Chamber at the present time?

Mr. SMOOT. No; he is not here.

Mr. NORRIS. I would suggest that the Senator let the matter go over until his colleague can be here.

Mr. SMOOT. I thought the position I had taken was such that no one could object to it.

Mr. NORRIS. I do not think anybody can. I think the resolutions would have to go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. SMOOT. There is no Senator but that knows that my colleague's resolution has to go there. I do not want to take any advantage at all of that fact, and I am perfectly willing that mine shall go there, too.

Mr. NORRIS. Yes; I think they will both have to go there eventually.

Mr. SMOOT. Then why not now?

Mr. NORRIS. I do not know why not now; but the Senator's colleague is not here. He is absent from the Chamber.

Mr. WALSH. Mr. President, I think I shall join in the request of the Senator from Nebraska that the matter may stand over until the junior Senator from Utah [Mr. KING] is in the Chamber.

Mr. SMOOT. I have no objection to its going over, Mr. President, but it seems to me that it is just haggling. I have no objection to letting it go over.

Mr. JONES of Washington. Mr. President——

The VICE PRESIDENT. The Senator from Washington.

Mr. JONES of Washington. I desire to make a suggestion to the Senator from Utah.

Mr. SMOOT. If the Senator from Nebraska wants to talk on the subject, he can go on now.

Mr. NORRIS. I am not particular about that. It seems to me ordinary fairness, however. I have not talked with the Senator's colleague about the action that he proposes to take here; but everybody knows that on yesterday the junior Senator from Utah [Mr. KING] introduced a resolution on this subject, prior to the introduction of the one introduced by the senior Senator from Utah.

Mr. SMOOT. I have referred to it.

Mr. NORRIS. It seems to me that ordinary fairness and ordinary courtesy, unless there is some reason to the contrary, would require the senior Senator from Utah to wait at least until his colleague can have an opportunity to be heard. I do not know that the Senator's colleague has any objection. I have not any, and so far as the discussion of the matter is concerned I am ready to discuss it right now; and if the Senator wants to have a debate on it, I will proceed immediately if I can have an understanding that I can have the necessary time and will not interfere with what I supposed was really a special order for to-day.

I do not care for any delay. I do not care whether the resolution goes to the committee or not. I am not haggling; and the Senator will find out, before we get through with this resolution, that some other things will be brought to light that are not haggling, but that will shock the conscience of the American people. I would just as soon proceed now as at any other time, if that is what the Senator wants.

Mr. SMOOT. Mr. President——

The VICE PRESIDENT. The Senator from Washington has the floor.

Mr. JONES of Washington. I yield to the Senator from Utah.

Mr. SMOOT. I simply said that I wanted to be fair, and I think I was perfectly fair. I think I was perfectly reasonable in requesting what I did. There is no Senator here but that knows that the resolution of my colleague has to go to the Committee to Audit and Control the Contingent Expenses of the Senate. There is a question as to whether the resolution offered by me would have to go there, because the investigation has already been authorized by the committee. Therefore I did not want to take any advantage, nor would I take any advantage, and if the junior Senator from Utah had been in the Chamber I would have asked him this very thing; but he was not here, and there could not be any advantage taken of him in any way, shape, or form, notwithstanding what the Senator from Nebraska [Mr. NORRIS] has already stated.

Mr. KING entered the Chamber.

Mr. JONES of Washington. Mr. President, I desire to make a suggestion to the Senator. As I understand, the Committee to Audit and Control the Contingent Expenses of the Senate does not really go into the merits of a resolution that is referred to it. It does not make any special investigation or study as to whether or not the investigation called for should be made; and I think that policy of the committee has followed practically a direction of the Senate. It is not really the policy that the committee itself adopted, but I think that

was the direction of the Senate a short time ago—two or three years ago.

It seems to me that the wise and proper course with reference to resolutions of this kind would be first to refer them to the committee having jurisdiction over the subject matter of the resolution, so that that committee may investigate the matter sufficiently to determine whether or not such an investigation should be made; and then, if it reports favorably, the resolution could be referred to the Committee to Audit and Control the Contingent Expenses of the Senate to determine the financial aspect of the matter.

It seems to me that this resolution, as well as the other resolution, could properly and ought to be referred to the Committee on Finance to report whether or not, in the judgment of that committee, the facts disclosed to the committee justify beginning such an investigation; and I desire to make that suggestion to the Senator from Utah, who is chairman of the Finance Committee. As I understand his resolution, it deals with matters that would properly come within the jurisdiction of the Finance Committee. It, however, is his individual resolution.

Mr. SMOOT. Yes.

Mr. JONES of Washington. And I think the policy of the Senate should be to refer these resolutions in the first instance to the committees having jurisdiction of the subject matters dealt with by the resolutions. I merely make that as a suggestion, because I think the Senate ought to consider that phase of these resolutions very seriously.

Mr. SMOOT. Mr. President, I will say to the Senator that that has not been the practice of the Senate——

Mr. JONES of Washington. I know it has not.

Mr. SMOOT. And I was only following out the practice of the Senate.

I want to say to my colleague [Mr. KING] that when the resolution came up, coming over from yesterday, I made the statement that I thought it was fair to my colleague that both of the resolutions should go to the Committee to Audit and Control the Contingent Expenses of the Senate; and for that reason, notwithstanding that there is a question as to whether the Finance Committee could not proceed with the investigation called for by my resolution under the resolution already passed, I thought it ought to be treated in the same way and should go to that committee, and the committee should be allowed to decide the question. Then a question was raised as to whether or not that would be satisfactory to my colleague. I will assure him, as I have assured the Senate, that I had no intention whatever of taking any advantage of him in the matter.

Mr. JONES of New Mexico. Mr. President, I should like to inquire of the senior Senator from Utah what he would expect the Committee to Audit and Control the Contingent Expenses of the Senate to do with these two resolutions.

Mr. SMOOT. I do not know what the committee will do. I have not seen a member of the committee. I have not ever questioned any member of it.

Mr. JONES of New Mexico. But would the Committee to Audit and Control the Contingent Expenses of the Senate decide that one resolution should be reported and that the other one should not be reported, or what is there for consideration by that committee?

Mr. SMOOT. The situation is just the same as in the case of every other resolution that goes to the committee.

Mr. JONES of New Mexico. I understand that it is just the same, but nobody knows what "the same" is.

Mr. SMOOT. Nobody can tell until the committee decides. I do not know myself. I have never asked a member of the committee how he stood on the matter, and I do not propose to do so.

Mr. JONES of New Mexico. Mr. President, this is a question in which I have been somewhat interested ever since I have been a Member of the Senate. I was on the Committee to Audit and Control the Contingent Expenses of the Senate for a number of years, and finally withdrew from it because I never could find out what jurisdiction the committee had. It seems to me that if there is going to be any consideration as to which one of these resolutions should be adopted, they should go first to the Committee on Finance to enable it to consider that question.

The Committee to Audit and Control the Contingent Expenses of the Senate, so far as I have been able to ascertain, simply passes upon the question as to whether or not the contingent fund of the Senate will bear the expense. That is all that the Committee to Audit and Control the Contingent Expenses of the Senate can do or has done in the past. I have insisted all along that that committee or some other committee ought to have jurisdiction to pass upon the merits of these resolutions calling for inquiries and investigations, to go into the merits of the question and determine whether or not there is enough in it to justify the expenditure of the money. So far, however, the committee has never attempted to do that except in two or three instances when I was a member of it, and each time the committee was turned down by a vote of the Senate.

So the Committee to Audit and Control the Contingent Expenses of the Senate really performs no function whatever except the mere perfunctory act of reporting the resolution back to the Senate. It exercises no judgment or discretion in passing upon these resolutions that are referred to it, and here we have a case, evidently, where somebody is going to consider the question as to which resolution shall be favorably reported and whether or not the resolution should be amended, whichever is taken as the basis for action by the Senate; and therefore it seems to me that in this case, at least, the resolutions ought first to go to the Finance Committee.

Mr. SMOOT. I will say to the Senator from New Mexico that I have no objection whatever to that course. I was simply following the regular course, and I want to say to my colleague that if he wants the resolutions to go over to-day, well and good; but as he said yesterday that if one went to the committee the other should, I was only following out the statement that he made yesterday, and was absolutely fair to him and fair to the Senate.

Mr. HARRISON. Mr. President, may I ask the Senator a question?

Mr. SMOOT. Yes.

Mr. HARRISON. If these two resolutions should be referred to the Finance Committee—of which the Senator from Utah is chairman, and a very dominant and persuasive member—and that committee should report out favorably his resolution, and should report unfavorably the King resolution, would the Senator then be willing to have both of the resolutions referred to the Committee to Audit and Control the Contingent Expenses of the Senate?

Mr. SMOOT. Why, certainly, Mr. President, and not only that——

Mr. HARRISON. I understood the Senator to say "certainly"; that he would?

Mr. SMOOT. Yes; and not only that, but it seems to me to be perfectly foolish to discuss the question at any length, because if one of the resolutions shall be reported to the Senate, it will be open to amendment, and the Senate can substitute any other wording that they desire, and it will not make a particle of difference whether it goes to the Finance Committee or the Committee to Audit and Control the Contingent Expenses of the Senate. No matter which resolution is reported to the Senate, when it is up for consideration they can strike out all after the resolving clause and insert a completely new resolution.

Mr. HARRISON. May I suggest to the Senator, if the Chair will permit me, that, of course, we are all anxious to push certain legislation at this session. Most of us are for the World Court, and all of us are in favor of tax reduction. The junior Senator from Utah [Mr. KING] offered a resolution which provided for a very thorough investigation of the Tariff Commission. What was the cause of the Senator's opposition to that resolution, and what were his reasons for offering a substitute resolution to investigate the same subject?

Mr. SMOOT. Mr. President, I did not offer a substitute resolution. I had my resolution prepared immediately after the adjournment of Congress for the Christmas holidays. I held it in my office and presented it here at the first opportunity that I had to present it. It is not a substitute. It is a resolution for an investigation, just as broad as it can be; but certain things have been charged against the Tariff Commission that my resolution specifically provides shall be investigated and reported on. The Tariff Commission is not alarmed over an investigation of any of its acts; and, as I say, it makes no difference to me. I want the Tariff Commission to be investigated, and I want the story told not by its enemies altogether but by the friends of the commission and the men who know what has been accomplished.

Mr. HARRISON. Mr. President, of course the Senator has been both the friend of the Tariff Commission and the opponent of the Tariff Commission, according to the personnel of the Tariff Commission. Would the Senator be willing, if his resolution should come up, to include in it those things that are in the King resolution that are not in his resolution, so that there might be a more thorough investigation?

Mr. SMOOT. Mr. President, I really have not had time to go into the details of the resolution offered by my colleague,

and therefore I am sure the Senator from Mississippi would not expect me to answer his question offhand; but I want a thorough investigation of the Tariff Commission.

Mr. HARRISON. As one of the Senators from Mississippi, I do not like to see a division between the Senators from Utah on this important question.

Mr. SMOOT. I appreciate that very greatly.

Mr. CURTIS. Mr. President, I want to join in what was said by the Senator from Washington [Mr. JONES]. I hope the Senate will adopt the policy of sending all such resolutions first to the committee having jurisdiction over them, so that they may report upon the advisability of making the investigation. It will save time, and I think it will save a good deal of money.

I hope the junior Senator from Utah, as well as the senior Senator, will consent this morning that these two resolutions may go to the Committee on Finance. The Committee on Finance then can consider both resolutions and report as to what they think is the best course to pursue.

Mr. KING. Mr. President, the Committee on Finance was in session this morning, and adjourned because the minority members desired to have a conference. We have been in conference, and adjourned prematurely to come to the Chamber because of the advice which was brought to us that the resolution which I offered yesterday was before the Senate. I confess that I did not expect it would be taken up this morning, in view of the fact that the conference to which I have just referred was in progress, and that conference was sought with the full knowledge of the Committee on Finance and of the chairman of the committee. However, the resolution which I offered was upon the table, and under the rule is up for consideration at this time.

I am unwilling that at this time the resolution shall go to the Committee on Finance or to the Committee to Audit and Control the Contingent Expenses of the Senate. That is a matter which can be determined later. Of course, I am not in a position to control the resolution which was offered by my colleague, and I would not if I could. If he desires that that shall go to the Committee to Audit and Control the Contingent Expenses of the Senate, or to the Committee on Finance, I have not the slightest objection.

I am glad to know that my colleague appreciates the fact that the Tariff Commission does need investigation, and I am glad to know that he is so thoroughly converted to that view that he has offered a resolution. I am sure the commission needs investigation, and it is very gratifying to me to know that some of my Republican friends appreciate the fact that the commission is ceasing to function and that there should be a thorough and searching investigation in regard to its activities.

In view of the fact that I desire to return to the conference, I only ask that the resolution which I offered shall lie upon the table without prejudice, so that I might take it up later.

Mr. SMOOT. That being the case I shall make the same request as to my resolution, because I am going to be perfectly fair not only with my colleague but with every Senator in the Chamber.

The VICE PRESIDENT. Without objection the resolution will lie upon the table.

Mr. NORRIS. I would like to congratulate the Senator for coming over to the suggestion I made in the beginning.

Mr. SMOOT. Mr. President, there has not been any "coming over" at all. I did it because I thought it was right.

Mr. NORRIS. I do not care why the Senator came over.

Mr. FESS. Mr. President, I hope the Senate will adopt the practice which has been suggested by several members of the Senate to-day in reference to the Committee to Audit and Control the Contingent Expenses of the Senate. I have been a member of that committee since I have been a Member of this body. We have had an immense amount of work, but we seem to have no latitude whatever to make an inquiry as to the merits of the proposal submitted to us, and are left only to vote for a resolution and report it out favorably or vote against it.

At times we have reported resolutions to the Senate with amendments, but we were told by the body of the Senate that we had no authority to do any such thing. Resolutions come to us with all sorts of preambles that should have no place in legislation. We have thought it wise at times to strike out some things which seem to have no particular importance at all from our standpoint. Yet, when we do that we are told by the Senate that we have no authority to do such a thing. No committee has reported more resolutions than has our committee, but it appears to me that we ought to have some basis upon which we can know whether there is ground for voting for or against any particular resolution before the committee. If we do not have any latitude at all except to vote for or against, I can not for the life of me see any need of the Committee to Audit and Control the Contingent Expenses of the Senate. It would seem to me that it would be only effete, and would have no place in the machinery of the Senate.

On the other hand, if a contested question which properly belongs ab initio to a certain committee arises, and is referred to the committee having authority to look into the merits of the matter, it can be reported back and referred to our committee for the authorization to expend from the contingent fund the money which would be necessary, and we would have some basis to work on. But I do not feel like serving on a committee where there is no latitude for me to exercise any judgment except to vote for the thing or vote against the thing. I do not think that is a sensible legislative practice at all, and I hope the Senate will adopt the practice that where there is a contested point, such as has been developed this morning, the resolution shall go to the committee having jurisdiction of the subject.

Mr. FLETCHER. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Florida?

Mr. FESS. I yield.

Mr. FLETCHER. I understand there is an express rule on this subject, providing that where a resolution is offered which calls for an expenditure of funds in order to make an investigation, it must go to the Committee to Audit and Control the Contingent Expenses of the Senate. That course is provided, first, because that committee know what funds we have for disposition in the direction indicated by the resolution. They know how much has been spent, and how much they have for use for such a purpose. They are supposed to consider what the cost of carrying out the investigation will be, and they make their report, not on the merits of the resolution, but as to whether there are sufficient funds available for carrying out the investigation in case the resolution is adopted. They report to the Senate to the effect that the investigation will cost such and such an amount of money—and they can be specific if they choose; that there is in the contingent fund only such and such an amount of money, and therefore at present they can not report the resolution favorably.

If such a resolution as that now under consideration were referred to the Committee on Finance, and that committee should decide to report the resolution favorably, and to make the investigation, it might afterwards turn out that there were not sufficient funds available for the purpose. So it seems to me prefectly proper to refer these resolutions in accordance with the rule, which I do not see that we can escape, as long as we have rules, and have the committee report whether or not there are sufficient funds to carry on the investigation. After that, naturally, the resolution will go to the committee which will investigate the merits of the matter, to consider the merits of the resolution, and determine whether such an investigation ought to be made or not.

Mr. FESS. Then the Senator understands that the only function of the Committee to Audit and Control the Contingent Expenses of the Senate is to ascertain whether there are funds enough in the contingent fund to carry on the investigation?

Mr. FLETCHER. And what the cost of the investigation will likely be.

Mr. FESS. If that is the only function of the committee, why could not a clerk do the work, instead of a committee?

Mr. FLETCHER. Of course, the committee is an agency through which the Senate performs its work. It does not ordinarily perform its functions through clerks. There may be other matters to consider.

Mr. FESS. Mr. President, if the Committee to Audit and Control the Contingent Expenses of the Senate has no function except to ascertain how much money there is in the contingent fund, and then is compelled to vote that any sort of an investigation that might be reported should be made, and provide the funds for it, I should think that that could be done from the floor of the Senate without the intermediary action of a committee. I do not like to serve on a committee where there is absolutely no latitude given to a member to pass on the question as to whether a resolution should be reported out or not be reported out if it is simply a mere automaton.

It seems to me that the practice should be as suggested by several Members, that such resolutions should go to the committees which have jurisdiction of the subject matter, to ascertain the merits of the matter, and then, if they are reported by the proper committees, I would be willing to vote the necessary funds to prosecute the investigations.

The VICE PRESIDENT. The morning business is closed.

TAXES PAID BY ANTHRACITE COAL CORPORATIONS

Mr. LA FOLLETTE. Mr. President, I think the junior Senator from Pennsylvania [Mr. REED] has withdrawn his objection to the resolution which I submitted before the holiday recess, and I do not believe the resolution will provoke any debate. I therefore now ask unanimous consent for the immediate consideration of the resolution, being Senate Resolution 99.

There being no objection, the Senate proceeded to consider the resolution (S. Res. 99) submitted by Mr. LA FOLLETTE December 22, 1925, and it was agreed to, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, authorized and directed to furnish to the Senate a statement based on corporation income-tax returns covering the year 1924 showing for each corporation engaged in the mining of anthracite coal the amount of capital stock, the amount of invested capital, the amount of net income, the amount charged to depletion and depreciation accounts, and the amount of Federal tax paid by each such corporation.

FREIGHT RATES ON BITUMINOUS COAL

Mr. REED of Pennsylvania. Mr. President, I send to the desk and ask unanimous consent to have printed in the RECORD a brief tabulation of the comparative freight rates on coal from the Pennsylvania districts and West Virginia districts in competition.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Comparison of freight rates on bituminous coal between Pennsylvania and West Virginia

[Transshipping rates (gross ton) to tidewater]

Origin district	Destination	Distance (miles)	Rate per ton	Mills per ton-mile	Pennsylvania lesser distance miles	Difference in cents in freight rate	
						Higher than Hampton Roads	Lower than Hampton Roads
Pennsylvania low volatile.	Philadelphia	329	2.32	7.05	96	-------	20
Do	Baltimore	238	2.25	9.45	187	-------	27
Do	New York	376	2.74	7.29	49	22	-------
West Virginia low volatile.	Hampton Roads.	425	2.52	5.93	-------	-------	-------
Pennsylvania high volatile.	Philadelphia	391	2.57	6.57	117	-------	50
Do	Baltimore	311	2.50	8.04	197	-------	12
Do	New York	482	2.99	6.20	26	22	-------
West Virginia high volatile.	Hampton Roads	508	2.62	5.16	-------	-------	-------

[Transshipping rates (net ton) to Lakes]

Origin district	Destination	Distance (miles)	Rate per ton	Mills per ton-mile	Pennsylvania lesser distance	Difference in cents in freight rate	
						Higher than Pennsylvania	Lower than Pennsylvania
Clearfield, Pa., low volatile.	Lake ports	305	2.38	7.82	-------	-------	-------
Pocahontas, W. Va., low volatile.	do	425	2.06	4.85	120	-------	32
Altoona, Pa., low volatile.	do	237	1.88	7.94	-------	-------	-------
New River, W. Va., low volatile.	do	407	2.06	5.06	170	18	-------
Pittsburgh, Pa., high volatile.	Lake ports	177	1.66	9.37	-------	-------	-------
Big Sandy, Ky., high volatile.	do	348	1.91	5.49	171	25	-------
Reynoldsville, Pa., high volatile.	do	155	1.51	9.77	-------	-------	-------
McRoberts, Tenn., high volatile.	do	470	1.91	4.06	215	40	-------

[Low volatile rates (gross tons) to Washington, D. C.]

Meyersdale, Pa.	Washington, D. C.	209	2.84	13.5	-------	-------	-------
New River, W. Va.	do	412	2.84	6.9	203	-------	-------
Pocahontas, W. Va.	do	384	2.84	7.4	175	-------	-------

Miscellaneous comparisons

Origin district	Destination	Distance, miles	Rate per ton	Mills per ton-mile	Difference in distance	Difference in cents in freight rate	
						Higher than Pennsylvania	Lower than Pennsylvania
Clearfield, Pa.	Utica, N. Y.	373	$2.76	7.40	-------	-------	-------
Pocahontas, W Va.	Dayton, Ohio.	363	2.24	6.17	10	-------	52
Clearfield, Pa.	New Haven, Conn.	423	3.21	7.59	-------	-------	-------
Pocahontas, W. Va.	Sandusky, Ohio	422	2.64	6.26	1	-------	57
Clearfield, Pa.	Hartford, Conn.	473	3.66	7.74	-------	-------	-------
Pocahontas, W. Va.	Cleveland, Ohio	474	2.64	5.57	1	-------	1.02

THE WORLD COURT

Mr. METCALF. Mr. President, I ask unanimous consent to place in the RECORD the addresses delivered and resolution passed at a public mass meeting held in Providence, R. I., December 7, 1925, under the auspices of the Providence World Court Committee, as well as copies of similar resolutions passed by other Rhode Island organizations favoring immediate entrance by the United States into the Permanent Court of International Justice upon the Harding-Hughes-Coolidge terms.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MASS MEETING TO DISCUSS ADHERENCE OF THE UNITED STATES TO THE PROTOCOL OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE HELD UNDER THE AUSPICES OF THE PROVIDENCE WORLD COURT COMMITTEE IN ELKS AUDITORIUM, PROVIDENCE, R. I., MONDAY EVENING, DECEMBER 7, 1925

PROGRAM

A message from Dr. William Herbert Perry Faunce, "Is America's place on the sidelines?" to be read by Mr. Henry D. Sharpe.

Speakers: Col. H. Anthony Dyer, "What Europe will think of us!"; Rabbi Samuel M. Gup, "The promise of world peace"; Mrs. Harvey J. Flint, "The woman's interest in the World Court"; Mayor Joseph H. Gainer, "The World Court from the viewpoint of the Public Executive"; Mrs. John H. Wells, "Three years of the World Court"; Bishop James DeWolf Perry, jr., "America's part in world affairs."

THE PROVIDENCE WORLD COURT COMMITTEE

Officers: James B. Littlefield, chairman; Arthur L. Aldred, Arthur M. Allen, Mrs. Francis G. Allinson, Chester W. Barrows, Joseph J. Bodell, Henry M. Boss, jr., Claude R. Branch, John Nicholas Brown, G. Edward Buxton, David B. Campbell, Antonio A. Capotosto, Miss Anna Harvey Chace, Everitte St. J. Chaffee, Mrs. James E. Cheesman, Miss Clara E. Craig, Mrs. George H. Crooker, Mrs. Henry I. Cushman, Halsey De Wolf, H. Anthony Dyer, Rev. William H. P. Faunce, D. D., Mrs. Harvey J. Flint, Joseph H. Gainer, John A. Gammons, Theodore Francis Green, Mrs. Harold J. Gross, Dr. Samuel M. Gup, John P. Hartigan, Right Rev. William A. Hickey, D. D., James H. Higgins, George H. Huddy, jr., Mrs. Harry A. Jager, Henry F. Lippitt, James R. MacColl, Carl B. Marshall, Miss Margaret S. Morriss, William W. Moss, Right Rev. James De Wolf Perry, jr., D. D., Theodore B. Pierce, Aram J. Pothier, Henry T. Samson, Miss Ada L. Sawyer, Henry D. Sharpe, Herbert M. Sherwood, Charles P. Sisson, Charles F. Stearns, Farrand S. Stranahan, Frank H. Swan, William A. Viall, Richard B. Watrous, Byron S. Watson, Thomas H. West, jr., Clinton C. White, Mrs. Henry A. Whitmarsh, Miss Elizabeth Upham Yates (vice chairmen), Thomas F. I. McDonnell (treasurer), Mrs. John H. Wells (secretary).

IS AMERICA'S PLACE ON THE SIDE LINES?

(Dr. William Herbert Perry Faunce)

In 1917 and 1918 America was in the center of the great struggle against autocracy. Rhode Island was aflame with patriotic devotion and echoed the great words, "They shall not pass." Brown University was a military camp, and I myself could not enter the campus by any gateway until I showed my pass to the armed guard at the entrance. As one result of that titanic struggle 11 monarchs were unseated from their thrones and 11 crowns placed in museums because the principles of American democracy triumphed in Europe and Asia.

But since the armistice was signed are we proud of our record? After the armistice we called our soldiers home, retired from every conference, declined to assume any responsibilities—political, financial, or social—and seemed to proclaim that the future of the world was none of our concern. We did, indeed, send relief funds abroad, and a group of Americans devised the Dawes plan. But at every international con-

ference we were conspicuously absent or present only as "observer." So far as other nations can see, our keenest interest has been in the collection of debts and our greatest fear has been entanglement in the fate of the rest of the world. Partly as a result of our attitude the rest of the world is still pervaded by a sense of insecurity, suspicion, and dread, and smaller wars are still going on in Asia and Africa.

If the nations could to-day have the guaranty of all the great powers that henceforth national disputes are to be settled, as individual disputes are settled, by law not war; if the peoples could be assured that no great power would henceforth resort to arms until its cause had been stated before a world tribunal—then half the fears of the world would vanish, then homes would be safe and governments secure, then commerce could flourish and education and religion feel a new inspiration for high endeavor. Will America sit on the side lines when 50 other nations are plunging into the game? Shall America help to win the war, and help to lose the peace: America was present at Versailles, but absent at Geneva; nobly present at St. Mihiel, but absent at Locarno; visibly present in the fighting, and visibly absent in all the peace making.

Now, a great wave of noble discontent is sweeping over our Nation. We realize that we are not true to ourselves, our principles, or our history, if we longer remain utterly aloof from every attempt at judicial settlements. Our Supreme Court, settling disputes among 48 States without the support of any army, is an example of what the nations of the earth may achieve, unless we by standing aloof, prevent it. The greatest hope of humanity lies in the establishment of such a court and loyal adhesion to it. I hope the people of Rhode Island, so effective in war, will show themselves effective in making peace.

What Europe Will Think of Us

(Col. H. Anthony Dyer)

I appear before you to-night in a rather novel position to talk on this subject. I am not one who has read or studied much about our participation in the World Court, but year by year, since the Great War, I have been from one end of Europe to the other, living with peasant people, talking with business men, mingling with the better brains that one meets with in traveling, and I have gleaned a great deal about what Europe is beginning to think of our great country, and the rest of the year, when I am back here in my own native city, I have learned a great deal about what America does not know about what is going on in Europe. We are a very conservative people in America. Conservative in international affairs, I suppose, because we started with such doctrines as our beloved President, George Washington, preached, which have made us wary of mingling in the affairs of the Old World; conservative because we have always been afraid to talk about matters of this kind on account of their political bearing; conservative because we don't want to do anything that will jeopardize American business interests in any foreign country; conservative because we don't want to run the risk of being plunged unnecessarily, without our own consent, into unnecessary warfare and to take part in struggles in which we are not vitally interested. But we have been, I fear, too narrow in our consideration of this great subject; and to-day I think we are far from having our eyes open to the real facts of the case.

You know if you have followed the war-scarred battle front from one end to the other, from the Adriatic to the North Sea; if you have lived with the people who have suffered from the war; if you have heard their deliberations and struggles in trying to reconstruct their nations; you would realize that Europe to-day means most certainly to get on its feet and to enjoy the blessings of peace. The Europe of to-day, especially these last few weeks, since Locarno–London, is a different Europe than a year ago.

People who in a faint-hearted way a few weeks ago believed Europe would ultimately save herself now realize that Europe is on the upgrade and means to have for the present at least an end of war and is trying everything in its power to have lasting peace. And I am sure now that the United States realizes that Europe means most assuredly to have this peace and means also to reestablish sensible economic conditions and relations between nations the last prop will be taken out from under that platform which encouraged us to withhold our aid in straightening out European affairs.

We pride ourselves in America that we are the world's greatest nation; that we are the most modern, up-to-date, and civilized people that exist on the face of the globe; but sometimes when I talk with Americans on various world-wide subjects, sometimes when I look about me and see the appearance of our cities in comparison with some of their cities, I begin to realize that we are not always in advance of them, even in the matter of civilization; that we are not in advance of them even in the matters of business and trade, and that we must approach this great subject of participation in a world court, if only from a business point of view, as it is certainly for the benefit of America to get into the game before the game goes on without her and over her head.

If you had been about with me in mingling with the plain people of Italy, France, Germany, and England, you would hear some rather hard things said about ourselves. You would have people say to you things like this: "Oh, yes; America went into the war to make money out of it." "Oh, yes; America is only interested now in getting back the blood money that was loaned here for the war." "Oh, yes; America has even shut her doors to our poor working people, so that overcrowded as we are and not having employment for them enough since the war they will not let us come over there to work out our own living and save our families." "Oh, yes; America thinks nothing but of dollars and business, and if she stands aloof she will lose our business also." Europe is coming back, and if she does come back in spite of America's aloofness, in spite of her not taking part in the great reconstruction, then Europe will do nothing to help her in the future and we in America will have no claims on them for business dealings.

America needs Europe and can not do without her. America must realize that if the commercial balance of the world is going to be restored, if she is going to sell her surplus products to Europe as she has been doing, if American automobiles are going to be put on the European market, if American tourists are going to be greeted with the glad hand and a great deal of courtesy, we have got to change our manner of dealing with our friends across the sea.

Europe of to-day at this Christmas season of 1925 is working for peace and happiness and really insists that if we are a Nation that stands for peace we must come and help them establish it in their land at this hour where they need help and succor more than at any other period of history.

Oh, it is so blind of people to think that we can get along without universal peace because underneath waiting for every false step that a nation may make is bolshevism ready to create war of the most dangerous kind. What is underneath all of this tremendous struggle which is trying to establish the unity of nations? It is the pursuit of peace and happiness which has always been the death knell to bolshevism, and if we are to help restore economic conditions and make those nations happier we are doing the best we can for world peace and at the same time for our own future. You know you can not have war again without losing many more nations to that red terror that has wrecked and burned two or three of the greatest powers in Europe.

Oh, my friends, if we only realized that our future is tied up absolutely to world peace we would not mind what we thought of international entanglements in Europe, that they can not agree among themselves, that one side of the Rhine has one question and the other side has another, that the southern side of the Alps is interested in one thing and northern Europe is interested in another. There is a strong registered voice in Europe that demands peace and justice, and they know just as well as we do here that you can not have any concerted act which would avert war without including in that action that one great power which to-day alone has the ability to really put that thing over.

And so I say, don't wish for peace in Europe when you are depriving Europe of the only weapon that they can use for peace. Don't say we want them to have peace and keep peace away from them by keeping out. Europe depends upon the strong right arm of Uncle Sam. France, England, Germany, Italy, Spain, Austria, all of them to-day respect and revere the United States. They question some of our motives, they don't like some of the ways they have been treated in business in the past; but they do know they can't have peace, they can't have unity, they can't put things over until we say to them—"Gentlemen of Europe, we are with you with our moral support, with our official support, with our money, with our men, and if necessary with all our power." And we know that if all do get together and work for the same interests, universal peace will be secured by the establishment of some such tribunal in which nobody will be missing and which, working as a great organization, will have jurisdiction over many of those things that will certainly help for the lessening of war.

Oh! think to-night, you, who sit here in a happy city like Providence; think of the battle-scarred nations where towns have not yet risen from the dust, where corrugated iron still covers the home of the ancestral family, where small gardens have still to be planted which before the war produced a food supply for the whole family; think of roads and towns, moors and water-fronts, devastated, bleeding from the war, that are yet just as poorly off as they were that day the armistice was signed, all because those nations haven't yet had time to lay down the sword and take up the ploughshare; because there isn't confidence enough in the future to disband armies, nor have they faith enough to devote their whole time to peace. They are only waiting for the United States to enter such a court and they will settle questions which they thought would have to be settled on the field of battle. Then you will find that smiles will come back to worn mothers' faces and children will grow up happy and healthy in countries that now are filled with dread.

Oh now is the Christmas season of good will toward men; let every American citizen, man and woman, do his or her utmost to save Europe, getting behind any effort that starts a tribunal that will pro-

vide judicial processes for useless slaughters that have proved the greatest curse of modern times.

There was no glory in the last war, there was nothing that was contributed to the welfare of mankind, nothing that bred romance and grandeur in the last World War, nothing but sorrow and death and want; and before God, we in an enlightened Nation of this sort ought to pledge our whole support to do everything we can to prevent another.

THE PROMISE OF WORLD PEACE

(Rabbi Samuel M. Gup)

This is a red-letter month in the progress of world peace, a day of triumph and of song. For the journey begun at Locarno by several nations in Europe was completed on December 1, in the city of London, and the treaties enacted in consequence of that journey have now become the hope and the inspiration for peace on the European continent.

History will record that not at Versailles but at Locarno was the war ended. The treaty of Versailles was written in the spirit of war's venom and cruelty, when the waves of hate caused by the war still ran mountain high; but the treaty of Locarno was written in an altogether different spirit—the spirit of reconciliation and good will; the spirit of dependence in achieving the task of security for one and all. The treaty of Versailles stopped hostilities, it silenced the guns and sheathed the sword, but the treaty of Locarno soothed the burning bitternesses of the war.

This month will always be memorable because it inaugurated an era of peace, for the first time in the history of mankind, an era of peace founded on trust rather than a state of peace dictated by fear.

Great Britain, Italy, Germany, France have now concluded an arrangement to consolidate the peace of Europe. They have agreed to submit all disputes of every kind for settlement to a tribunal. This agreement was made as by equal partners and has teeth in it. We are headed straight, according to Premier Briand of France, "for arbitration and collaboration" among all the nations of the world now that these agreements have been concluded to a condition "where war and armament have no place whatsoever."

With peace assured in Europe, the time is favorable for the substitution of law-abiding processes for a resort to arms as a means of settling international disputes. Never was an hour more opportune for our own country to engage in this marvellous movement making for peace. The hour has come for our own nation to join, to uphold and to support the World Court of Justice in order that justice shall henceforth determine the path nations shall pursue in all of their relations with one another.

The conception of such a World Court of Justice is a natural step in the development of international procedure. There is nothing artificial or parochial about it. It does not contract the operations of right, it enlarges them. Just as society in the course of its evolution changed from the fistic fight between individuals to the court of law; so it seeks now, for its own welfare, to substitute law-abiding processes for armed conflict. Thus does civilization prosper.

Civilization has always moved forward by getting out of the house of bondage to the land of larger vision and clearer outlook. Once it was considered ethical for the strong man to take matters in his own hands, then for the group, and later, for the nation. We realize now that mere assertion of strength, the mere victory of brawn, does not at all decide the issues involved on moral grounds. We are beginning to catch up with the pronouncement made long ago, "Not by might nor by strength but by my spirit" sayeth the Lord.

The World Court offers the way of common sense and reason. It gives the road of law in the place of armament. It proposes moral enlightenment instead of destruction of life and property. It represents the growing sense of brotherhood and humanity. It marks the unfolding of an international conscience and is the vehicle for its practical expression.

The peoples are now marching forward toward an extensive application of the principles of right. Right and justice have been the longing of the ages. Right and justice are not peculiar to any region in the world. Right and justice know no border. They have no bounds. Their favors are impartially distributed and the seed of justice yields the fruit of peace.

In the existence of the World Court, America must play her part. We are vitally concerned in the establishment of a medium for the spreading of right among all people. We feel that though we may differ as to the terms upon which we shall enter that court, there can be no difference among us in regard to the idea of a world court itself and the ideal for which it stands.

There have been a number of arguments against our connection with a world court, but none of these have proven sufficiently convincing. It has been advanced, for instance, that American rights will be compromised and that the sovereign power of the American Government will be jeopardized. Supposing that in joining this court we might be compelled to make something of a surrender on the part of nationalism (which to some people has become an idolatry) for universalism, that surrender will not be to a lower ideal but to a higher one and for the greater good of humanity. We ought to be willing to make this surrender willingly and gladly, as nearly 50 other nations in the world have done, for the sake of making peace secure in the world.

In the second place, it has been brought forth that this World Court will never accomplish justice because it will become a controlled and subject tribunal. It is incredible that a nation with such qualities of leadership as our own, with its wealth, ideals, and power, should fail when bringing these qualities to bear in keeping this court uncontrolled and untrammeled. Lastly, it has been argued that we ought first to draft a code of law before we commit ourselves so that we might first know just what the functions and the powers of this court will be.

I believe, however, that this agency will pioneer in the international wilderness most successfully; good sense will exert itself, and that in time, as the court develops, it will develop powers, principles and the exercise thereof which will commend itself to all nations of the world.

The World Court is a hope-giving institution. It stands on the side of the right. In practice it will achieve the right as the nations will so will it.

It behooves our own country always to stand on the side of right and to indorse such practical measures as will organize the forces of right. We have long been speaking high-sounding phrases about peace. Is it not time that we matched our words with our deeds? We can ill afford to close our eyes in the presence of the greatest social problem of mankind. Shall we have war again or shall we build international substitutes for war?

The developments of our history, our form of Government, the very heart of citizenship tell the eagerness of America to see the whole world enjoy the blessing of peace. The necessity for the World Court is therefore obvious. The old way has disastrously failed. The new way offers the principles of abiding peace. Shall we scorn it? Shall we belittle it? Dare we dismiss it? Ours is a confidence in the integrity of our sister nations, a feeling of responsibility for the welfare of humanity, a sense of obligation for our common brotherhood which will yet stir and move us to subscribe to the only international agency that does and will give increasingly the promise of saving peace for the world.

THE WOMAN'S INTEREST IN THE WORLD COURT

(Mrs. Harvey J. Flint)

I shall speak briefly upon the woman's point of view relating to the World Court. To my mind it divides itself very definitely into three practical headings:

Why are women interested in the World Court?

What women are interested in the World Court?

What will women do because of their interest in the World Court?

Now, women have been known since the beginning of time to be idealists. They have been classified largely as a group that didn't know why they knew it, but they knew it. There is that much maligned phrase which is known in art, "I don't know much about pictures, but I know what I like." Just so women start out many times, "Well, don't tell me what I am going to think, because I think it already." Women know perfectly well that the abolition of war will come only through the spiritual healing of the nations. They know that political moves made which culminate in such things as the World Court are but human footsteps. They know that the real healing must take place in the consciousness of the world. But this consciousness must be lifted, must be exalted, if we, too, are to fulfill that which we know is Christ's teaching, "If ye lift up the Son of Man, ye will draw all men unto Him," and so women do and continually want to align themselves with those forces for lifting up the consciousness of mankind.

The woman in the Apocalypse "brought forth the man child who was to rule all nations with a rod of iron, and the government was to be upon His shoulder," and we know that the man who typified that order, who typified that teaching, said, "When ye go to the house of prayer and would lay your gift upon the altar, if ye find ye have aught against your brother, see that ye forgive your brother, then go and lay your gift upon the altar." Isn't that being made practical to-day when we bind ourselves with an organization the working out of which will mean that we may arbitrate instead of agitate; that we may forgive and meet halfway rather than transgress and try to absorb or dominate?

So women are desirous that the good of Christ's teaching shall be made practical, shall be brought into their everyday lives. And one step in Christ's teaching certainly seems to me to be the World Court to-day in human affairs.

Now, another point; why women are interested in the World Court is that—

Women are necessarily conservers of life. Women have first and last paid the price of war. They have paid it with their sons. They

have learned that it is a destructive thing because it destroys that which is not easily replaced—human life—and they are loathe to longer lay that upon the altar.

Then there is one other and to me an unanswerable point. It is so hopelessly unintelligent that in this day of enlightenment, in this day of education, in this day of progress, that men should still be willing to fight a dispute out instead of arbitrating it out; and the World Court is offering the opportunity for calm, judicial arbitration. So why women are interested can be summed up very clearly in my mind, because they are adherents of Christian teaching, conservation of life, and intelligent arbitration.

Now, what women are interested in the World Court?

I am sure it will be encouraging and heartening to know what grade or groups of organized women have already lined themselves up definitely and fearlessly back of this movement. The organized women's movement for the World Court was first proposed by Mrs. Carrie Chapman Catt some three years ago at the national convention of the United League of Women Voters, and as a result of that clarion call which she sent forth delegates from all of the organized women of America gathered together in a conference in Washington and declared themselves definitely and irrevocably for this World Court movement.

I am going to read a list of those national organizations—it is a formidable one:

The American Association of University Women.
The Council of Women for Home Missions.
The Federation of Women's Boards of Foreign Missions.
The General Federation of Women's Clubs.
The Young Women's Christian Association.
The National Council of Jewish Women.
The National League of Women Voters.
The National Women's Christian Temperance Union.
The National Women's Trade-Union League.
The National Federation of Business and Professional Women's Clubs.

These organizations represent about 12,000,000 women who have gone on record as backing the World Court—not simply a principle, but the World Court, which is being presented in the political arena of America to-day; so the organized women of America are for this movement, are back of this movement and will undoubtedly stay on the firing line until this movement consummates in success.

Now, what will these women do?

The time was when woman sat at home and hoped her husband would vote right. She hoped he would. Sometimes he did, and then again he didn't. To-day, anyway, she has the vote, showing that she wasn't entirely satisfied with the way he handled it, so she, having attained to this state of political importance, political freedom, she having become articulate, stands in her strength and says, "My vote has power. I have a Representative in Washington. I will see that that gentleman hears from me." And he does, much to his surprise and often to his discomfiture. As I heard one man in Washington say, "Well, my mail is full of letters and telegrams from those blankety-blank women." What he meant was that he was being prodded by the requests being made by organized voters. So, with women organized and with the vote and with a definite goal, they are starting out to attain their purpose. That purpose is to give a political nudge, just a nudge, perhaps, but if a nudge is not enough, they will give a push, and in the end that which is wanted by the organized voting strength will be the thing that will be placed upon the statute books.

We must remember this: The World Court has been pushed about from one administration to the next and through all these years, though before the Senate, it has never actually come to a record vote; but with the organized effort that seems to have been aroused on the subject to-day, if we are unable to make our representatives in Washington see that it is a record vote we want, then it is time we got some new representatives. I believe there is sufficient strength to-day to let its voice be heard in Washington loud enough that the insurgents, whoever they may be and in whatever party they may be, will realize that this particular issue transcends party lines and goes into the lines of humanity, and since it is an alignment of humanity, it must be treated as a humanitarian subject; and because it is of humanity, it must have only one outcome, and that is that we move definitely in the direction of abolishing the cause of useless war.

The World Court alone will make that step possible to-day, and America can and will take her place with the other nations in that body during this coming session of the Senate whether BORAH will or no.

THE WORLD COURT FROM THE VIEWPOINT OF THE PUBLIC EXECUTIVE

(Mayor Joseph H. Gainer)

We have met this evening to discuss the question which will be considered by the United States Senate on the 17th day of this month, Shall the United States participate in the World Court on certain definite and fixed conditions?

Since the World War the nations of the earth have been endeavoring to find some method of settling international disputes by a means other than armed conflict.

We are all heartsick of war. We have just emerged from a conflict which came very close to destroying the civilization of Europe. The toll of human life which was taken was simply appalling. The maimed and the injured in body and mind are counted in the millions. The money and the material resources which were sacrificed have brought many of the nations of the world to the verge of bankruptcy and will require many decades of untold sacrifice and suffering to replace.

We have now an opportunity to encourage and support an instrumentality which will pave the way for the abolition of war. Will we embrace that opportunity? Offhand it would seem that there ought not to be any question of the United States giving its support to such a project. But the point has been raised that giving our adherence to the court would jeopardize our sovereignty and would make us a party unnecessarily to European disputes. I can not agree with this contention.

Prior to the World War there existed The Hague tribunal. This was not a court. It was a body made up of representatives from practically all the nations of the world, from which a board of arbitration might be drawn for the settlement of a particular dispute. Since the World War there have been set up two other agencies for the promotion of peace, one the League of Nations and the other the court which we are discussing to-night. All three exist at the present time and are functioning.

The World Court, or, as it is technically known, the Permanent Court of International Justice, has been in active operation since 1922. Up to May of this year it has rendered 5 judgments and given 10 advisory opinions. Eleven judges and four deputy judges constitute the court. The nations represented in it are the United States of America, Great Britain, the Netherlands, Switzerland, France, Spain, Japan, Italy, Denmark, Cuba, and Brazil. The deputy judges are from Yugoslavia, Norway, Rumania, and China. Forty-eight nations have joined it already. In a word, it is an international judicial body which is actually functioning.

Many persons object to our entrance into the World Court because they believe it is a creature of the League of Nations and subject to the control of that body. I can not agree with this claim. As I see it the court is an independent body. While it owes its existence to the initiative of the League of Nations, it was not created by the league but by an international agreement between the nations who are now a part of it. All of the 48 nations now members of the court, acting separately, ratified this agreement, just as we are asked to do on the 17th of this month. A nation may be a member of the court and not a member of the League of Nations, or, vice versa; it may be a member of the league and not a member of the court.

Nominations of the judges are not made by the league but by the international group in The Hague Tribunal of Arbitration. The judges of the court do not have to be chosen from citizens of league members. At the present moment John Bassett Moore, a very distinguished American citizen, is one of the 11 judges of the court, although we as a nation are not yet members of the court.

When nominated the judges are elected by the two bodies in the Assembly and the Council of the League of Nations. This is where the league most vitally touches the court. The assembly of the league is made up of one member from each nation in the league. The council is made up of the larger nations. A man to be elected judge must obtain a majority vote in each body. Either body can nullify an election. But one judge of any nationality can be selected. This method gives the smaller nations a veto upon the larger.

The creation of a world court—that is, a body for the trial and decision of international causes by judicial methods—has been advocated by America since 1899. Our delegates took part in the first Hague conference in that year and advocated a plan for an international tribunal, permanent in the exercise of its functions, like the Supreme Court of the United States. America's plan was not adopted. The British plan was taken instead. The British plan provided instead of a court, as we understand it, a list of competent persons called arbitrators, each country to have the privilege of naming four for the list. From that list each nation to a dispute which it desires arbitrated can select two arbitrators, the four to choose an umpire.

At the second Hague conference in 1907 the United States renewed its proposal for the establishment of a permanent judicial tribunal. Again the project was not successful, as no way could be found to satisfy both the larger and the smaller nations in the selection of judges. The court has the power of rendering judgments and of giving advisory opinions. These can not be obtained except by resolution of the majority of the 55 nations in the assembly or of the 10 nations in the Council of the League of Nations. The resolution now before the United States Senate would bring us into the World Court on five specific conditions:

First. That the adherence of the United States to the court shall not be taken to involve any legal relation to the League of Nations or the assumption of any obligations under the covenant.

Second. That the United States shall participate on terms of equality with other nations in the election of the judges by the council and assembly of the league.

Third. That the United States shall pay a fair share of the expenses of the court as determined and appropriated from time to time by the Congress of the United States.

Fourth. That the statute for the court shall not be amended without the consent of the United States.

Fifth. That the United States shall not be bound by advisory opinions rendered by the court upon questions that the United States has not voluntarily submitted for its judgment.

A new resolution which has been presented by Senator SWANSON will undoubtedly be added. This provides that action by the United States for the submitting of questions for decision shall require a two-thirds vote of the Senate.

If the resolution now before the Senate should pass, the 48 nations now constituting the court would be obliged to accept our conditions and to say so in official note before we became a member of the court.

I can not see that the adherence of the United States to the court would affect the Monroe doctrine. The court has jurisdiction only of such disputes as the nations involved submit to it. The United States, in my opinion, would not be likely to submit a dispute involving the Monroe doctrine. At the present time there is a dispute between Chili and Peru which threatens to go to the World Court. While in this case it may be said that we are not a party to the dispute, I believe if any question in that dispute should involve the Monroe doctrine, we would have a right to be considered a party, especially since the 55 nations in the League of Nations have agreed to respect the validity of national agreements such as treaties of arbitration or regional understandings like the Monroe doctrine. But I think it is clear that whatever rights the United States has in this matter at present can not be lessened by our entering the World Court on the conditions named.

I do not believe either that a question involving our immigration policy can be brought before the court for settlement. In the first place we would not be likely to refer such a dispute to the court. In the second place, the court's jurisdiction does not include domestic matters. We consider immigration a domestic question. Already the court itself has said in an advisory opinion that it was a domestic question.

I have given you my reasons for believing that our entrance into the World Court on the conditions above outlined would not affect our sovereignty or sacrifice any of the principles which we have always held dear. On the other hand I believe our adherence to this international judicial body would give it great moral support and would be very effective in producing a speeding up of the process of disarmament. I do not believe that our entrance into the World Court will mean the immediate abolition of war, but I think it will be a big step in that direction.

THREE YEARS OF THE WORLD COURT

(Mrs. John H. Wells)

The World Court is still in its infancy, less than four years old. It was originally the child of the United States but has been disowned by the United States and adopted by Europe. Europe is satisfied with the World Court and will not change for another even though we do stay out. The World Court functions. It has seen active service for three years. Forty-eight nations have signed the protocol and 37 have ratified it. Fifty-five nations support it financially. The seven nations not in the court are those members of the league but not members of the court: Abyssinia, Argentina, Guatemala, Honduras, Irish Free State, Nicaragua, and Peru. Besides this eight nations of the world are neither members of the league nor of the court. They are Afghanistan, Ecuador, Egypt, Germany, Mexico, Russia, Turkey, and the United States.

What are the questions which are dealt with by the court? These questions are not political nor are they diplomatic questions. They are mainly justiciable questions, questions of fact. Another group of questions dealt with by the court comes under the head of interpretations of treaties. A great many treaties have come into existence since the World War. There are constantly questions of legal interpretation of these treaties which might lead to war if it were not for the resource furnished by the World Court. Advisory opinions may also be given by the World Court when asked for by the council or assembly of the League of Nations. The World Court is open to all nations and its jurisdiction is compulsory on none unless the nations have signed the optional clause by which they bind themselves always to accept the jurisdiction of the court.

Many objections are made to our entrance into the World Court, one of the chief of these being its connection with the League of Nations. The League of Nations is connected with the World Court only in so far as the members of the Council and Assembly of the League of Nations elect the judges of the World Court. This method of election was suggested by an American, Mr. Elihu Root, and is only a convenient way of using the representatitves of the 55 nations already brought together from the different parts of the world. In joining the World Court we would join with the reservation that we would be connected with the League of Nations only in so far as it was necessary for us to be present for the election of judges. The statute of the World Court is an entirely separate document from that of the League of Nations and adhesion to one does not necessarily mean adhesion to the other. Mr. BORAH, chairman of the Foreign Relations Committee of the Senate, has made much of this connection with the League of Nations. He also objects to the present World Court because international law has not been sufficiently codified. In this latter objection Mr. BORAH seems to be putting the cart before the horse. As we all know, international law develops in part through the functioning of a court and through the judgments and opinions handed down by that court. Moreover, a great deal is being done for the codification of international law. The question has been taken up by the League of Nations and a committee appointed, numbering among its members our own former Attorney General Wickersham, to act on the question of the codification of international law. Italy, the Netherlands, Switzerland, and the Pan American Institute of International Law have all recently set about its study and codification.

Let us review briefly some of the achievements of the World Court in these three years. Our own Supreme Court in the United States during the first three years of its existence had only two cases put before it. The World Court has rendered 12 or 13 advisory opinions and 5 judgments. As some one has said, it is dangerous to make prophecies beside the cradle, but this achievement in the first three years of its life seems to forebode well for the future. Let us consider first the question of advisory opinions. These advisory opinions are not binding upon those to whom they are given, and yet they have a very strong influence through the force of public opinion thus created. They are absolutely necessary to a new organization like the League of Nations, untried in an administrative way, constantly needing legal advice and principles of interpretation. An independent body with prestige like the World Court can supply what diplomats and statesmen might lack. A nation in accepting an advisory opinion might thus not only escape from certain mistakes and even international conflicts but by yielding beforehand avoid a decision which would be more humiliating to its pride. One advisory opinion which may well have averted possible war was given in connection with the case in dispute between France and Great Britain in Morocco and Tunis. Great Britain contested the decrees given by France in Morocco and Tunis, saying that they exceeded the powers of a protecting state and violated treaties. France disputed this claim of Great Britain and said that the question was purely domestic. It was submitted to the court and found to be international in scope. Both parties agreed to the decision.

On the five judgments rendered by the court the one in the Mavrommatis case is of great interest. It is interesting especially because it shows that the judgment is not always given in favor of the more powerful nation. This was a case between Great Britain and the Greek Government over certain concessions in Palestine made to a Greek citizen under the Ottoman Government. The judgment rendered by the court was to the effect that the Greek citizen had a right to his concessions granted to him in Jerusalem. Certain principles of international law were worked out in connection with this case which were most valuable, especially principles in regard to jurisdiction based on international agreement such as that made at the time of the Palestine mandate of 1922. In this Palestine mandate it was agreed that any difficulties arising between Great Britain and any member of the league within the mandate should be referred to the World Court.

The independence which the World Court feels in respect to the League of Nations is well shown by their refusal to give an advisory opinion in regard to a question submitted to them by the League of Nations in 1923. This request for an advisory opinion was made in connection with difficulties between Finland and Russia in Eastern Karelia. As is usual in an advisory opinion, all the facts of the case were sent to the various members of the court. Russia refused to send any information or to take part in any way in the proceedings of the court. The court therefore declined to give an advisory opinion, saying that the noncooperation of Russia made impossible any fair decision. The court based its decisions here on the theory of the independence of nations. No nation is under obligation to submit its disputes with other nations to mediation, arbitration, or other method of peaceful settlement without its consent.

A further achievement of the court has been in regard to the interpretation of treaties. The League of Nations in its covenant provides that all treaties shall be publicly published and registered with the League of Nations. Since the founding of the League of Nations nearly 1,000 such treaties have been registered with it. Of these treaties nearly 400 contain a clause stipulating that the World Court shall be the body to which any case of disagreement over the interpretation of the treaty shall be submitted. This is in effect compulsory jurisdiction and is a most important power vested in the World Court. Many wars may be averted by such interpretation, and moreover international law may be greatly developed.

The World Court, in addition to these more concrete achievements, has made intangible gains, among these one of the most important being the respect and interest of the whole world. The World Court has a high quality of personnel, such as our own John Bassett Moore, formerly Assistant Secretary of State and one of the foremost authorities of the United States in international law and arbitration. Lord Finley, of Great Britain, formerly Attorney General and Lord Chancellor of the British Empire, and a distinguished historian, is another one of the illustrious members of the court. Antonio Sanchez de Bustamente, of Cuba, professor of international law at the University of Habana and president of the Pan American Institute of International Law, author of one of the most authoritative books on the World Court, is also one of the distinguished judges of the court.

The fact is well known to everyone that the great majority of the people of the world are opposed to war, and yet wars continue to exist. How is this fact to be explained? The opinion which is opposed to war is an international opinion and can only be expressed through some international institution. Such an international institution is the World Court, and through it may be registered this world-wide feeling against warfare as a method for the settlement of disputes between countries. Ex-Secretary Hughes has well said that unless this present court, known as the Court of International Justice, is really made the World Court of International Justice by the association of all the nations of the world in its establishment, there never will be a world court of justice.

AMERICA'S PART IN WORLD AFFAIRS

(Right Rev. James De Wolf Perry, jr., D. D.)

You may have noticed a certain degree of unanimity in what has been said to you this evening by all of the speakers, and I believe that I am not intended to stand on another side or to act the part of advocatus diaboli. No debate is required before such an audience as this to enable the hearers to consider the pros and cons in the argument for the World Court. There are no pros and cons which we need to hear, because the arguments for a World Court are being acted out before our eyes inexorably and tragically. We have seen in the graveyards of France stones marking the resting place of thousands who laid down their lives for a hope as yet unfulfilled, a hope to which we pledged ourselves and pledged our country. We have seen cities in western Syria, cities that marked great monuments in history, needlessly laid low. We have seen hundreds of thousands of children in east Syria suffering as the innocent victims in struggles that might have been prevented, and we have seen in the mountains of Assyria ancient nations to whom we are bound by strong ties of faith and friendship this very week being swept off the face of the globe, and for no other reason than that we have been content to stand by without a word, without even a gesture.

On one eventful evening last summer in England when the destinies of Mosul were in the balance, during a meeting of the cabinet in England, I happened to be sitting and talking with one of the men in England who represents the highest form of statesmanship, and my errand was the discussion of this very question of the destiny of the people in the mountains of Khurdistan. He turned to me, after I had been trying to plead the cause, which was not necessary, of course, to plead, and he said to me: "Do you realize that there was a time when America by her power in the council of the family of nations might have made all of this warfare and destruction impossible?" But that time has not wholly passed. The great current of disaster and of destruction is still sweeping on while we are standing aloof.

I say, my friends, that these are arguments which need not be put into words, because they are being enacted before our very eyes and there is no difference of opinion about them. No company of true-hearted Americans need to be persuaded against their will of the necessity of the World Court or of the necessary part that the United States shall take in it. I believe that if in any company of intelligent citizens such as is gathered here this evening a vote were taken the unanimous expression of opinion, the undoubted sentiment of our whole country, would be in favor of the unqualified entrance of the United States in the World Court. Why then has it not happened? Why then is there this doubt? Why this discussion in the daily press of the pros and cons of this question? It is not that the people of the United States are unwilling to decide it, but because we have allowed little companies of our own legislators to frustrate the plans of President and people, because we have allowed the interests of parties to obscure the issues which are more important than any issue in the world and we have stood willing to give way to those influences and to be overcome at times by those forces. But, my friends, when this question comes up for final decision it is not to be passed upon ultimately by the Senate of the United States or the House of Representatives, by any party, or by any representative body. The body which is going to decide this is the same which decided the entrance of the United States into the World War. It is the great body of American citizens. There is the jury to which this question is ultimately to be submitted, there is the force that is ultimately to be brought to bear.

You remember how just eight years ago the sentiment of the American people, slow to move at first, gradually asserted itself in utterances that allowed of no misunderstanding, in great demonstrations, parades of preparedness. The sophistries of legislators, the prejudices and fears of any who might have objected, were all borne away before a great current of national opinion.

The question concerning the World Court will be solved by the same irresistible force.

It will be decided first on the basis of faith. Although we may be agreed upon this question, my friends, we have entered it as yet very half-heartedly; not with the kind of belief that asserts itself with indomitable force. America has not yet expressed its deepest convictions on this matter. When we have that expression of conviction by our whole body of citizens the faith of the people will ultimately win the contest. And it will be decided by the spirit of courage. My friends, if we are honest with ourselves we shall have to confess that we have been consulting our fears in this great question; we have been listening anxiously to what those who are supposed to be the leaders of our people and of our Nation have to say. We have not placed the strong hand of American opinion fearlessly, bravely, on the helm that is to steer us into the ultimate solution of this question. In the minds of a great many people the ship of state is conceived of still as a kind of ferryboat with a rudder cautiously placed at the end, that makes its way carefully from bank to bank of some sequestered stream.

What America has to fear to-day is not entangling alliances abroad but provincialism at home.

If, which God forbid, we are led into another war, it will not be because we have faced the situation and moved toward it with open eyes and open minds, but we shall have drifted into war simply by reason of our lack of decision and by a spirit of provincialism ingrowing in too many communities in the United States. So I say that it will be not political, not legislative, not theoretical questions that will have set the minds of the people of the United States to the solution of this question, but, as in the last issue of every problem that comes before us for a solution, it is the spiritual interpretation of the question which shall finally govern us. When at last America shall have gathered herself together to assert herself before the world we shall, without question, without compromise, without prejudice, and without fear, take our rightful place at the council table of the family of nations.

PROVIDENCE WORLD COURT COMMITTEE,
Providence, R. I.

Resolution passed at public mass meeting, December 7, 1925, held under auspices of Providence World Court Committee in Elks Hall, Providence, R. I.

Resolved, That this meeting of citizens of Providence, held in Elks Auditorium on December 7, 1925, is strongly in favor of immediate adherence by the United States to the Permanent Court of International Justice, upon the Harding-Hughes-Coolidge terms: And be it further

Resolved, That copies of this resolution be forwarded, through the officers of the Providence World Court Committee, to the President of the United States and to our Senators in Washington.

Attest:

JAMES B. LITTLEFIELD, *Chairman.*

Woman's Christian Temperance Union of Rhode Island voted that the following resolution be adopted by the State executive of the Woman's Christian Temperance Union of Rhode Island:

"*Resolved,* That the Woman's Christian Temperance Union of Rhode Island reaffirms its faith in the Permanent Court of International Justice and advocates that the United States of America participate in the same on the basis of the Harding-Hughes-Coolidge reservations."

Same resolution adopted by the following:

Coventry Women's Club, Providence Section Council of Jewish Women, Rhode Island State Federation of Women's Clubs, Edgewood Civic Club, The Triangle Club, Four Leaf Clover Club, Chepachet Needle Book Club, Providence Association for Ministry to the Sick, Read Mark Learn Club, Nautilus Circle, Cranford Club, and Hope Valley Women's Club.

THE UNITED LEAGUE OF WOMEN VOTERS OF RHODE ISLAND

Whereas the United League of Women Voters of Rhode Island has voted to concur in the action of the national league to make the support of the World Court their major responsibility until the protocol is signed; and

Whereas its department of international cooperation to prevent war has been studying for four years the relations of one nation with another; and

Whereas it has given particular study to the Permanent Court of International Justice and indorsed not only the idea of international peaceful cooperation but the specific court set up at The Hague; and

Whereas this department at various times has urged upon the President of the United States and the United States Senators from Rhode Island the entry of this country into this court, with the Harding-Hughes-Coolidge reservations: Be it

Resolved, That this department reiterates its indorsement of the attitude taken by President Coolidge in this regard, and also its hope that the Senators from this State will strongly support him in his stand.

RHODE ISLAND CONGRESS OF PARENTS AND TEACHERS

Whereas December 17 has been fixed as the date of consideration of the entrance of the United States into the World Court by the United States Senate; and

Whereas this measure has received the support of very many organizations, including the National Congress of Parents and Teachers, and was included in the platforms of both political parties; Therefore be it

Resolved, That the Rhode Island Congress of Parents and Teachers go on record as urging a favorable vote on the measure with the Harding-Hughes-Coolidge reservations, and that we send the record of this action to President Coolidge, Senator BORAH, our two Rhode Island Senators, and to the Rhode Island World Court Committee.

FIRST CONGREGATIONAL ALLIANCE (UNITARIAN)

Since we believe that a nation or a people may create for itself a moral obligation by its conduct, and that the long advocacy of a world court by our President, statesmen, and publicists has created such an obligation, direct and imperative, so that national honor as well as national interest requires that we unite with other nations in the support of such a court as a most important agency of international justice and peace; and since the general conference and Unitarian Association meeting in Cleveland on October 15 passed a resolution "committing itself to the adherence of the United States to the World Court * * * and to the pronouncement that war is crime and must be outlawed as such, not in word only but in deed and in truth": Therefore be it

Resolved, That this First Congregational Alliance (Unitarian), of Providence, R. I., numbering 250 women, respectfully urge upon your honor the President and Congress the prompt entrance of the United States into the Permanent Court of International Justice, known as the World Court,, with the Harding-Hughes-Coolidge reservations, at the coming session of Congress, convening this December, 1925; it is further

Resolved, That a copy of this resolution be sent to the Providence World Court Committee, of which James B. Littlefield is chairman.

PROVIDENCE MOTHERS' CLUB

Whereas it has been the policy of the United States for many years to submit interstate disputes to the Supreme Court; and

Whereas it has been the aim for nearly a quarter of a century of the United States to establish a world court for international disputes; and

Whereas in the last platform of both the Republican and the Democratic Parties support was pledged to the entrance of the United States into the Permanent Court of International Justice: Be it

Resolved, That this, the Providence Mothers' Club, November 9, 1925, go on record as favoring the entrance of the United States on December 17 into the World Court, and that this organization do all in its power to assist President Coolidge in his noble effort to have the United States adhere to this World Court with the Harding-Hughes-Coolidge reservations.

EDGEWOOD WOMAN'S CLUB

We, the Edgewood Woman's Club, desire to place ourselves on record as heartily indorsing America's entering the World Court; and we desire

Further, That you include the Edgewood Woman's Club in indorsement of this project that you are sending to Washington.

THE WOONSOCKET ROUND TABLE CLUB

The Woonsocket Round Table Club indorses the World Court movement with the Harding-Hughes-Coolidge reservations.

SALE OF SURPLUS WAR DEPARTMENT PROPERTY

Mr. WADSWORTH. Mr. President, I ask that the Senate proceed to the consideration of Senate bill 1129, authorizing the sale of certain military posts which are surplus, and other real property belonging to the War Department.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1129), authorizing the use for permanent construction at military posts of the proceeds from the sale of surplus War Department real property, and authorizing the sale of certain military reservations, and for other purposes, which had been reported from the Committee on Military Affairs with amendments.

Mr. WADSWORTH. I ask that the formal reading of the bill be dispensed with, and that the bill be read for action on the committee amendments. I may state that the committee amendments have no intrinsic importance; they are merely to see to it that these properties are sufficiently described in the act so that in the future there shall be no trouble about title.

The VICE PRESIDENT. Without objection, the bill will be read for action on the amendments of the committee.

The Chief Clerk proceeded to read the bill.

The first amendment was, on page 2, line 7, after the word "Florida," to strike out "(portion)" and to insert "(that portion reserved by Executive order of January 10, 1838, and subsequently transferred to the War Department)."

The amendment was agreed to.

The next amendment was, on page 2, line 12, after the word "Florida," to strike out "(portion)" and to insert "(all except that portion reserved for and used as a Marine hospital reservation)."

The amendment was agreed to.

The next amendment was, on page 2, line 15, after the word "Washington," to strike out "(portion)" and to insert "(that portion known as 'Shields Spring' tract, about 66 acres)."

The amendment was agreed to.

The next amendment was, on page 2, line 18, to strike out "(lots)" and after the word "Tennessee" to strike out "(portion)" and to insert "(lot No. 30 and one-half of lot No. 32 on Caroline Street)."

The amendment was agreed to.

The next amendment was, on page 2, line 21, after the word "Texas," to strike out "(portion)" and to insert "(lots Nos. 44 and 55, section 1, Galveston, Tex.)."

The amendment was agreed to.

The next amendment was, on page 3, line 1, after the word "Maryland," to strike out "(portion)."

The amendment was agreed to.

The next amendment was, on page 3, line 8, after the word "Florida," to strike out "(portion)" and to insert "(north portion, 10.6 acres)."

The amendment was agreed to.

The next amendment was, on page 3, line 10, after the word "Florida," to strike out "(portion)" and to insert "(north portion, 10 acres)."

The amendment was agreed to.

The next amendment was, on page 3, line 15, after the word "Virginia," to strike out "(portion)" and to insert "(that portion lying between the right of way of the Chesapeake & Ohio Railway and Virginia Avenue in the city of Newport News, and the said right of way of the said Chesapeake & Ohio Railway and the county road in the county of Warwick, and between Forty-ninth Street in the city of Newport News and the lands of the Old Dominion Land Co.)."

The amendment was agreed to.

The next amendment was, on page 3, line 23, after the word "Florida," to strike out "(portion)" and to insert "(all but 552,000 square feet reserved for a fire-control station)."

The amendment was agreed to.

Mr. FLETCHER. We are now considering only committee amendments?

Mr. WADSWORTH. That is all.

Mr. FLETCHER. I have an amendment to offer. I do not know whether it belongs properly in any of the items we are now considering or not.

Mr. WADSWORTH. When the committee amendments shall have been disposed of, then, of course, the bill will be open to further amendment.

Mr. FLETCHER. Very well. I shall offer my amendment after the committee amendments are disposed of.

Mr. HARRISON. Mr. President, I desire to ask the chairman of the committee a question. As I understand the bill, it relates to certain old forts or parcels of land owned by the War Department which they no longer need, and it provides for the sale by the War Department of these properties. I am led to ask the question because I notice the bill covers a piece of land lying on the coast in Mississippi, the property known as Ship Island, where there is an old fort. I would very much dislike to see that property fall into the hands of some land speculator. What are the provisions in the bill with reference to such a matter? Would the State or the municipality first have the right to purchase the property before somebody else?

Mr. WADSWORTH. Mr. President, section 5 of the bill covers the point raised by the Senator from Mississippi. It reads:

After 90 days from the date of the approval of this act, and after the appraisal of the lands hereinbefore mentioned shall have been made and approved by the Secretary of War, notification of the fact of such appraisal shall be given by the Secretary of War to the governor of the State in which each such tract is located as to such lands not to be turned over to other departments, and such State, or county, or municipality in which such land is located shall, in the order named, have the option at any time within six months after such notification to the governor to acquire the same or any part thereof which shall have been separately appraised and approved upon payment within such period of six months of the appraised value thereof.

Mr. HARRISON. With reference to the particular piece of land upon which this fort is located, which is some 10 miles out from the coast, it not being within a municipality, the nearest municipality to this particular fort could not acquire it?

Mr. WADSWORTH. Yes; it could.

Mr. HARRISON. It is not necessary then that the parcel of land be within the municipality; it may be merely near the municipality?

Mr. WADSWORTH. It might be an island adjacent to a municipality, which they would care to buy or which the State of Mississippi could purchase.

Mr. LENROOT. It would depend wholly upon the powers of the municipality, of course.

Mr. WADSWORTH. Entirely so. It would be up to the local authorities.

Mr. JONES of Washington. It might be necessary to have a special session of the legislature before the year had expired, or else the governor probably could not act. The governor, of course, could not act within the time fixed in the bill if the legislature should not be in session. He would have to call a special session of the legislature or not be able to act. Did that phase of the matter occur to the Senator from New York?

Mr. WADSWORTH. That point had not been brought out. The bill gives a total of nine months from the date of the passage of the act to the completion of the purchase by a State or municipality.

Mr. JONES of Washington. Our legislature will adjourn in a few days and it will not meet again for two years. There are several of these tracts in our State, and while I do not know whether the State would desire to purchase them or not, it ought to have the opportunity to do so without the necessity of the governor calling a special session of the legislature.

Mr. WADSWORTH. May I make this suggestion to the Senator from Washington? There is a very proper comity between the Federal Government and the governments of the various States. If such a situation arose in the State of Washington and the Governor of Washington or the appropriate authority of that State notified the Secretary of War that the State might be in the market for a future purchase, but was not in a position to complete the negotiation of the matter for another year, there is no doubt in my mind that the Secretary of War would postpone an auction sale of the property.

Mr. JONES of Washington. With that suggestion properly appearing in the RECORD, that would probably take care of the situation.

Mr. WADSWORTH. It would be a very unusual case for the Secretary of War to deliberately ignore the governor of a State in such a situation.

Mr. JONES of Washington. It would probably require subsequent legislation by Congress, because the time would have expired within which the governor could make the purchase, as I understand the terms of the bill.

Mr. WADSWORTH. He must exercise his option within that period or the Secretary of War may sell.

Mr. JONES of Washington. The Senator thinks that even after the time has expired within which the governor can exercise the option, if the property is not disposed of, he can come in and make his proposal to the Secretary of War?

Mr. WADSWORTH. Yes; that is my judgment.

Mr. FLETCHER. He must come in and at least make a bid of some kind. That would perhaps take care of the situation.

Mr. JONES of Washington. If the governor should suggest to the Secretary of War that such were the situation, the Secretary of War would not dispose of it to anybody else until the governor was in a position to make a definite proposal?

Mr. WADSWORTH. Yes.

Mr. FLETCHER. I do not like to take issue with the Senator, but my own opinion is that the Secretary of War is bound by the limitations of the bill and could not extend the time if he wanted to do so.

Mr. JONES of Washington. But the Secretary of War might refuse to complete a sale until Congress would have the time, at any rate, to act upon the request of the governor of a State, which it, no doubt, would do.

The reading of the bill was resumed.

The next amendment of the Committee on Military Affairs was, on page 4, line 8, after the word "Florida," to strike out "(portion)" and insert in lieu thereof "(portion comprising the east end of Santa Rosa Island)."

The amendment was agreed to.

The next amendment was, on page 4, line 15, to strike out "Screven, Fort, Ga."

The amendment was agreed to.

The next amendment was, on page 4, line 18, to strike out "(portion)" and insert in lieu thereof "(the detached lot fronting on Whitehead Street between Louisa and United Streets in the city of Key West, Fla.)."

The amendment was agreed to.

The next amendment was, on page 4, line 22, to strike out "(portion)" and insert in lieu thereof "(all but a plot of 37 acres at Three Tree Point, reserved for the Engineer Corps)."

The amendment was agreed to.

The next amendment was, on page 4, line 25, to strike out "Two Islands" and insert in lieu thereof "Marsh Islands (opposite Powder House Lot Military Reservation)."

The amendment was agreed to.

The next amendment was, on page 5, line 1, to strike out "(portion)" and to insert in lieu thereof "(that portion north of the right of way of the Atchison, Topeka & Santa Fe Railroad, 9.502 acres)."

The amendment was agreed to.

The VICE PRESIDENT. This completes the amendments of the committee.

The reading of the bill was concluded.

Mr. JONES of Washington. Mr. President, I desire to ask the chairman of the committee a question. I note on page 4, line 21, the following language:

Three Tree Point Military Reservation, Wash. (all but a plot of 37 acres at Three Tree Point, reserved for the Engineer Corps).

I may say that I did not know we had a military reservation known as the Three Tree Point Military Reservation. I know where Three Tree Point is, and there is a lighthouse station on it. Can the Senator tell me whether that lighthouse is on the military reservation referred to or not?

Mr. WADSWORTH. I can give a description of the location of the property which is proposed to be sold. It is in the report of the committee, according to which it is located in Wahkiakum County on the right bank of the Columbia River, nearly opposite the east end of Wood Island. It comprises 603 acres and was originally acquired as a part of the reservation from the public domain by Executive order.

Mr. JONES of Washington. I will say to the Senator that it does not cover the point I had in mind. The point I had in mind is on Puget Sound. I have no doubt that the amendment is entirely satisfactory.

Mr. WADSWORTH. There are no improvements on the land. It is vacant land.

Mr. LENROOT. I would like to call the attention of the Senator from New York to section 6 with regard to the question raised by the Senator from Washington. It appears from that section that the Secretary of War must sell within six months. Would it not answer every purpose to strike out the word "shall" and insert the word "may"?

Mr. WADSWORTH. I am perfectly willing to accept that amendment. I think the other members of the Committee on Military Affairs will not object to it.

Mr. LENROOT. I offer the amendment.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 7, line 10, strike out the word "shall" and insert the word "may," so as to make the section read:

SEC. 6. Six months after the date of the notification of said appraisal, if the option given in section 5 thereof shall not have been completely exercised, or after receipt by the Secretary of War of notice that the State, county, and municipality do not desire to exercise the option herein granted, the Secretary of War may sell or cause to be sold each of said properties at public sale at not less than the appraised value thereof, after advertisement in such manner as he may direct: *Provided, however,* That if the property has been advertised and offered for sale on not less than two separate occasions, and no bid equaling or exceeding the amount of the appraised

value has been received, the Secretary of War, in his discretion, is authorized to accept the highest and best bid received.

The amendment was agreed to.

Mr. SWANSON. Mr. President, I would like to ask the Senator from New York regarding the amendment on page 3, line 18, reading as follows:

Newport News warehouses, Virginia (that portion lying between the right of way of the Chesapeake & Ohio Railway and Virginia Avenue in the city of Newport News, and the said right of way of the said Chesapeake & Ohio Railway and the county road in the county of Warwick, and between Forty-ninth Street in the city of Newport News and the lands of the Old Dominion Land Co.).

Who asked for the sale of the property and what is the reason that is offered for the sale at this time?

Mr. WADSWORTH. Because it is of no further use to the War Department.

Mr. SWANSON. What has been the use of it heretofore?

Mr. WADSWORTH. It was a part of the quartermaster's warehouse reservation which was acquired during the war. It is of no further use to the War Department. None of these properties, according to their view, are of any use to the department any longer, and they want to sell them.

Mr. SWANSON. What I want to know with reference to the Newport News warehouse is this: I understand these warehouses and supply depots were leased or sold.

Mr. WADSWORTH. Some of them are under lease to-day.

Mr. SWANSON. I do not know to what extent it is absolutely necessary to have accessibility to the warehouses if the land were sold. I do not know to what extent the sale of this property to some one else might interfere with the use of those warehouses.

Mr. WADSWORTH. It certainly will not interfere. That is the very thing the War Department, of course, would study in all these cases.

Mr. SWANSON. Very frequently matters of this sort go through without full discussion from any source. Some party buys the land, and often the party who has leased the warehouse is embarrassed by not having accessibility to the warehouse. I would like to have the matter go over for a few moments until I can confer with the Congressman from the Newport News district and learn if the sale would interfere with the full use of the warehouse or not. I know nothing about it.

Mr. WADSWORTH. The Senator can get all the facts from the committee report on page 30, where there is a complete description.

Mr. SWANSON. Will the Senator let it go over until I can read the report?

Mr. WADSWORTH. I would like to have a chance to get the bill through. The Member of the House of Representatives from that district will have a chance to have the bill amended in the House if it requires amendment in that respect.

Mr. SWANSON. But very frequently the chance is destroyed when the Senate and the conferees are not in favor of the amendment. I do not know to what extent such a sale might interfere with accessibility to the warehouses there. If it does interfere, I know it is not the desire of anyone there that it be sold. I have asked the Congressman from that district to see me at once, and will let the consideration of the bill proceed until I can confer with him and examine the report to which the Senator has just called to my attention.

Mr. FLETCHER. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be read.

The CHIEF CLERK. On page 5, after line 6, insert a new section as follows:

SEC. —. The Secretary of War is hereby authorized, directed, and empowered, in the event it be found that any citizen of the United States or the heirs of a citizen shall have for a period of 20 or more years immediately preceding the approval of this act resided upon or improved any part or parcel of the aforesaid designated property and exercised ownership thereof based upon a deed of conveyance heretofore made by one claiming title to such part or parcel, to have such part or parcel so claimed separately surveyed if requested in writing by a claimant within 60 days after the approval of this act and to thereafter convey title to the claimant by quitclaim deed upon payment of $10 per acre or per lot if less than 1 acre: *Provided,* That any claimant who fails or refuses for more than 60 days after the approval of this act to make written application for survey and submit satisfactory record and other evidence required by the Secretary of War to substantiate the claim that he is entitled to a quitclaim deed under the provisions of this section shall forever be estopped from exercising any claim of title or right of possession to the property: *And provided further,* That in carrying out the provisions of this section the Secretary of War shall not incur any expense other than that incident and necessary to surveying and platting such of the property as may be claimed by a citizen of the United States.

Mr. FLETCHER. Mr. President, I will state in connection with the proposed amendment that there are only one or two of this kind of reservations. I think over near Pensacola some of the reservations are occupied in places by people who have been there for a great many years. They have never been disturbed during that time. They have some claim of title or a deed of some kind based upon a claim of title. The amendment would give those people a chance. Where they have actually been in possession of a lot, for instance, 20 years or more, claiming under some deed or conveyance, the Secretary of War is empowered to convey by quitclaim to those people that lot on the payment of a nominal sum, say, of $10.

It is only for the purpose of protecting the rights of actual settlers for a period of some 20 years or more on some portions of these small reservations that the provision is offered. I think it is perfectly fair and just. I believe the department would not have any objection to the provision at all. It would simply take care of that situation where there may be here and there someone occupying a lot or lots in portions of the reservation under some claim of title, who have been living there and occupying the land as their home for 20 years or more. If there are no such cases, of course, that ends the matter. They must assert within a period of six months' time their right to their claim and make their showing. If the showing complies with the provision for proof of actual possession for a period of 20 years or more under a claim of title or some evidence, then I think the Secretary of War ought to be authorized to adjust the matter by giving them a quitclaim deed to the piece of property actually occupied for that period of time and claimed under some kind of evidence of title.

I can not see any harm in that. I do not believe it would interfere at all with the disposition of the other portions of the reservations. It would protect a few settlers on some portions of these reservations who have been there occupying them and claiming them under a deed of some kind for a period of 20 years.

The Government is to be involved in no expense except simply to make the survey of the particular plot or lot that is so occupied and claimed; and upon a proper showing of facts the Secretary of War is authorized to make the deed. I think the Government would incur no material cost, and it would be according justice to actual settlers whose numbers are very limited. They have been living on these places and have had their homes there for over 20 years.

In case the Government should proceed to sell the entire reservations without regard to these settlers or any of their rights, I think the fact of their actual possession for that period of time would interfere with the sale and would reduce the amount the Government might otherwise receive. I think there will be no loss to the Government in the matter, and it would be simply discharging a real obligation and doing the right thing for people who are actually occupying certain lots. I ask that the amendment may be agreed to.

Mr. WADSWORTH. If I may do so, I accept the amendment.

The VICE PRESIDENT. Without objection the amendment is agreed to.

Mr. SWANSON entered the Chamber.

Mr. WADSWORTH. The Senator from Virginia has just returned.

Mr. SWANSON. Mr. President, the Representative in Congress with whom I have conferred, and I have not had an opportunity to examine the amendment of the committee carefully. It may be entirely proper or it may not be. I shall, however, agree to the adoption of the amendment, feeling satisfied that if reasons should later develop showing the amendment to be inadvisable the Senator from New York will not insist on its remaining in the bill.

Mr. WADSWORTH. I will say to the Senator from Virginia that these properties were surveyed and sold in 1921 or 1922, and no protest at all against their sale has ever reached us.

Mr. SWANSON. There are some warehouses located there which might be affected; but I am satisfied to permit the amendment to be agreed to, and I am sure that if I can later show that its adoption interferes with those warehouses very materially the Senator from New York will not insist on the retention of the amendment in the bill.

Mr. WADSWORTH. I thank the Senator.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SENATOR FROM NORTH DAKOTA

Mr. GOFF. Mr. President, it was agreed on yesterday that upon the return of the junior Senator from Mississippi [Mr. STEPHENS] the Committee on Privileges and Elections would call up Senate Resolution No. 104, relating to the right of Mr. NYE to a seat in the Senate. I have been informed, however, that the junior Senator from Mississippi can not reach here until Thursday next. I have arranged with the Senator from North Dakota [Mr. FRAZIER] to let this matter go over until Thursday morning after the morning business. I now state that I shall move to proceed to the consideration of the resolution and shall present it to the Senate as a question of the highest privilege at that time.

The VICE PRESIDENT. By unanimous consent the consideration of the resolution referred to by the Senator from West Virginia is postponed until the time indicated by him.

THE WORLD COURT

Mr. LENROOT. I move that the Senate proceed to the consideration of Senate Resolution No. 5 in open executive session. In connection with the motion I wish to make a brief statement. In view of the fact that it was expected that the North Dakota election case would be considered to-day, I anticipate that there will not be enough Senators desiring to speak upon the subject of the World Court to occupy the day. I shall not, therefore, press the matter beyond the time the Senators are ready to speak to-day. I hope to-morrow, however, the Senators who desire to address the Senate will be prepared to do so.

The VICE PRESIDENT. The question is on the motion of the Senator from Wisconsin.

The motion was agreed to; and the Senate, in open executive session, resumed the consideration of Senate Resolution No. 5, providing for adhesion on the part of the United States to the protocol of December 16, 1920, and the adjoined statute for the Permanent Court of International Justice, with reservations.

Mr. BRUCE. Mr. President, I should be grossly recreant to my profoundest convictions and feelings if I did not give the pending resolution my unfaltering and unqualified support. The United States of America that satisfies my patriotism is not an isolated, self-centered land which enjoys all the national privileges and blessings attendant upon great wealth and power but is unwilling to assume its just share of the burdens and responsibilities of the family of nations. Rather is it the land which, after attaining a degree of material strength and prosperity unexampled, perhaps, in human history, holds out to itself no ideal less lofty than that of the moral leadership of human civilization. Ever since the League of Nations was established I have been entirely in sympathy with it, and, if this were merely because, as a Democrat, I contracted the color of the last Democratic national administration, I should think myself far less deserving of respect than I trust that I am. Indeed, I was a supporter of the League to Enforce Peace, of which the Republican ex-President, Taft, was the head, before the League of Nations came into being. I have always thought that the views of that other Republican ex-President, Roosevelt, as to the means by which the authority of the league should be maintained were peculiarly sagacious and sound. He did not believe, as Lord Robert Cecil seems to do, that, in executing its aims, it can dispense with force. He felt that just as a city must have its policeman and a Commonwealth its soldier to preserve law and order, so the League of Nations, to make its mandates good, must have its international police force or army; and so do I also feel. There is little, if any, peace in the world that is not commanded. I have always listened with pleasure and instruction whenever that famous Republican lawyer and statesman, Elihu Root, has brought his searching intellect and kindling imagination to bear upon the practical problems involved in The Hague conferences of 1899 and 1907, the covenant of the League of Nations, and the World Court. All honor, too, to those other able and faithful Republican champions of a closer international concert between us and foreign nations for the higher interests of humanity, like former Secretary of State Hughes, former Attorney General Wickersham, and President Hibben, of Princeton University, who, in one field of effort or another, have unweariedly endeavored to reduce the occasion for international warfare.

I can truly say that to me it is not a cause for partisan exultation but for the deepest, bitterest disappointment that such illustrious Republicans as Taft, Root, and Hughes should have abandoned the firm ground upon which the League of Nations was founded to wander off after such a deceitful will-o'-the-wisp as the spectral association of nations conjured up by the Republican managers of the Harding presidential campaign. Now that they have found to what a false footing that mocking lure has brought them, I can not but hope that, as Republicans, they may yet voice their real convictions, with respect to the League of Nations, as frankly as we Democrats are now voicing our approval of the Harding-Hughes-Coolidge World Court.

And not only am I willing to give full credit to the Republicans, of whom I have been speaking, for what they have done to promote the cause of world peace, but I am even willing also to admit that in the promotion of that cause the Democratic Party has its errors of judgment to answer for. That Woodrow Wilson had the fervid idealism, the elevated range of vision, and the rare gift of expression to interpret the larger significance of the World War as no other man of his day had the capacity to do can not in my opinion be justly denied; but in the end, in his struggle with his antagonists at home, factious or otherwise, over the League of Nations, he suffered a defeat which he could have avoided, if only he had not insisted so uncompromisingly upon complete victory. As I see it, in the fury and smoke of the contest, extraordinary leader of men as he was, he lost his bearings and allowed his zeal to outstrip his discretion. If he had but had a little more of that sober balance of judgment, that commonplace measure of human prudence which induced the Allies to enter into the armistice without taking the risk of an actual invasion of Germany, his Flodden might have been his Bannockburn, and he might have passed down to history as not simply the real founder of the League of Nations, as he undoubtedly was, but also as the successful intermediary between it and the United States. That he should not have accepted the reservations forced upon him by Henry Cabot Lodge and his associates has always been a source of true regret to me. All of those reservations would probably have been accepted by the nations which constituted the membership of the league at that time; none of them, it seems to me, would have fatally impaired the efficacy of our adhesion to the league, and if any of them were not really based upon durable objections, it is fair to suppose that as time went on they would have been done away with by the proper amendment or amendments, suggested by practical experience.

Under the provisions of the pending resolution our entry into the World Court would be attended by some highly significant reservations suggested by what are believed to be the demands of our national security, and our entry into the league might well have been accompanied by analogous safeguards.

So you see that I do not take up the pending resolution in a partisan spirit, or with any disposition even to hold the Republican antagonism to the League of Nations exclusively responsible for the fact that the United States is not now one of its members. Moreover, I have gladly acknowledged the debt that the cause of world peace owes to the personal convictions of the individual Republicans whom I have mentioned. Nor do I think that any useful purpose would be served on this occasion by censuring the policy that the Republican Party as a party has pursued since the Paris peace conference in our foreign relations. Let that pass for the present. Everywhere in the United States good men and women, whether opposed to our entry into the league or not, are crossing party lines and eagerly aiming to aid their President in his effort to conduct the United States into the World Court, and I believe it to be my duty as an American, jealous of the dignity and fair fame and mindful of the lasting interests of my country, to strike hands with him at this time and to render him all the assistance that my voice and vote can do.

In one respect, of course, I am entirely free from the embarrassment in which the Republican adherents of the President in this Chamber find themselves involved. Their first purpose seems to be to establish the fact that the Harding-Hughes-Coolidge World Court is not an infant that is being palmed off on them by the League of Nations. They wish to be assured beyond the possibility of a reasonable doubt of the independent individuality of their own child. But all the subtleties that they have brought to bear upon this inquiry are to me, as a Democrat and a sincere advocate of our participation in the League of Nations, as meaningless as the old theological dispute between the Homoousians and the Homoiousians. As the chief priest and elders said to Judas when he confessed his sin in having betrayed the innocent blood, we Democrats in our loyalty to the league might well say to our Republican friends of that inquiry, "What is that to us? See thou to that." The more readily the features of the League of Nations can be seen in the face of the Harding-Hughes-Coolidge World Court, the better I like the child. In

this respect I feel just a little as Benjamin Harrison did in the Continental Congress when the political timidity of Jonathan Dickinson in dealing with the mother country, led him to declare that the only word in one of the cautious papers of that Congress of which he did not approve was the word "Congress." "The only word in that paper of which I approve," retorted Harrison, "is the word 'Congress.'" To me, far the best thing about the present World Court which is proving such an effectual ally of international concord is its connection, however limited, with the League of Nations; but, as I have intimated, this is neither here nor there for the purposes of the present discussion. I am willing to acquiesce in any Caesarean operation that may honestly be thought necessary by Republican obstetrics for the separation of the World Court from the womb of the League of Nations. I am even willing that its lineaments should be a little disfigured as those of a child kidnapped by a Gypsy band are sometimes said to be to prevent recognition.

To save the Union Lincoln was willing to save it with or without the institution of slavery, and if, under the circumstances, I can only save a good, working world court out of the wreckage of the high hopes, shattered by the failure of the United States to take its true place with the other civilized powers which are striving to keep down international warfare, I shall be delighted. In other words, I am for the World Court with or without the League of Nations; preferably with it but cordially even without it. All that I ask is that the present World Court be not so transformed by our reservations that the nations which are now members of that court will be unwilling to admit us into it; and in weighing the possibility of this result we should not forget that the other great civilized powers of the earth have lost to a considerable extent their eager desire that we should become a party to the international concert which they have so successfully established. There was a time when they were willing to pay almost any price for our entry into the League of Nations. The influence that our vast wealth and stupendous power could exert in the maintenance of universal peace was, of course, manifest to them, but it is only fair to them to remember that they counted also upon the strength that would be brought to the league and its exalted aims by our passion for liberty, by our humanitarian temper, by our love of peace, and by our faith in those democratic institutions which are its only real bulwark.

But recently there has been a noticeable change in the attitude of the present members of the league toward us. They have grown tired of waiting for us to fill the vacant chair that they have kept for us. They have found that they can get along without us much better than they thought. They have found that, even without our aid, war can be nipped in the bud before it unfolds its crimson flower by the League of Nations. They have learned that, without our aid, the Permanent Court of International Justice can enter up judgments in international controversies and render advisory opinions at the request of the council or assembly of the league which command implicit obedience or unmurmuring acquiescence. They have learned that international pacts of far-reaching importance to the peace of the world can be formed at Locarno as well as at Washington. Before long our good President, should he be so imprudent as to attempt to call another Washington conference, may expect to be reminded in polite, but firm, language that it is 3,000 miles from Europe to the United States and that the distance from the United States to Europe is no greater. In other words, the Republican practice of dealing with the league through unofficial Paul Prys and busybodies has broken down; so has the idea of our passing by bleeding Europe, like the selfish Levite, or pouring oil and wine into her wounds like the good Samaritan, according as it suits our pleasure to do so or not. Europe, engaged in the greatest political experiment that has ever been made by the human race and lost to all present hope of receiving our assistance in bringing it to a successful issue, is no longer in a mood patiently to put up with airs of condescending patronage on our part or praises from our own lips of our own perfections. Nothing will now content it short of some actual concrete proof of our willingness to work hand in hand with it for the success of the mighty institutions—far the most august and beneficent that mankind has ever originated—for holding in check the baleful curse of war. If there is any man left who believes that the enlightened powers which come together at Geneva from the four corners of the earth for the purpose of warding human progress can be induced by Russia, Thibet, or the United States to desert those institutions for some phantom association of nations screened in an American presidential campaign, he should be placed under the mandate, to borrow an expression from the covenant of the league, of some saner fellow citizen. Fortunate shall we be if in adhering to our selfish isolation, even to the point of standing aloof from the league and court, that have been erected by the rest of the world for the purpose of ending international butchery, we shall not finally arouse a sentiment of settled hostility toward us in every civilized land.

In supporting the pending resolution I am, of course, entirely conscious of the degree to which it falls short of committing us to the full extent of what I believe to be our international duty. Nothing, in my judgment, can do that except membership in the League of Nations. The World Court has no power to frame any international policy; no authority to devise any scheme of national disarmament, or to impose any social or economic boycott upon any quarrelsome country or to subject any such country to military pressure.

Those are the functions of the league. Even if it were an executive body, like the league, it could exercise no jurisdiction over any international controversy without the consent of both parties to it, except as respected such nations as have accepted its authority as compulsory; and among these nations are neither Great Britain nor Japan nor Italy nor France, except conditionally. But it is not an executive body. Its jurisdiction is limited to the decision of justiciable questions and the rendition of advisory opinions only; in other words, it is a mere court of justice, and a court of justice, at that, with no political means of its own for enforcing its mandates. Obviously, useful as such a body is so far as it goes, it could no more perform the office of the league than the Supreme Court of the United States could perform the office of the President or the office of the Congress. It is only as an auxiliary of the league, empowered to render decisions and advisory opinions which the league has the organs to carry into effect, that the World Court dilates to its full measure of dignity and utility.

Moreover, it is manifest that at the present time public opinion in the United States, however friendly to that court, is not prepared to accept its jurisdiction as compulsory. Nor is the fact to be overlooked that there is nothing to prevent the United States now from agreeing to submit any international controversy to which it is a party to the decision of the World Court or to arbitrators selected by the parties from The Hague arbitration panel or in some other way. Nor, notwithstanding the superiority, for evident reasons, of judicial to arbitral methods of settling disputes, individual or national, does it necessarily follow that, even if the United States entered the World Court, it would prefer as an instrument of justice a court composed in part of judges drawn from the less advanced and enlightened members of the family of nations to an arbitral tribunal selected from two or three of the most advanced and enlightened States of the World.

I say this much because I am not willing to express any belief in the utility of the World Court more emphatic than I honestly feel. At the same time I believe that the entry of the United States into the World Court would be a matter of momentous consequence both to us and to the rest of the world. To begin with, it would renew our connection with the nobler past, from which we have for some time been estranged. One of the most striking of our characteristics as a people has been our will to peace, our readiness to subject our national claims to the test of reason rather than of war. It is true that we have always been prepared, when war was unavoidable, to meet it with a degree of firmness and efficiency which, whatever its shortcomings, has at least never failed in the end to bring victory to our arms; and we have not altogether escaped the lust of territory which has inflamed the military ambition of older nations; but, on the whole, no great power in history has ever been so free as the United States from the guilt of aggressive warfare. Even prior to the late Paris peace conference, by Congressional resolutions, by suggestions of our State Department, by earnest and conspicuous work during The Hague peace conference of 1899 and 1907, by innumerable submissions to arbitration, and by the negotiation of many arbitration conventions, we had shown how completely in harmony we were with the idea of composing international disputes by peaceful methods.

As has been repeatedly pointed out, the cardinal object of policy that McKinley and Roosevelt, Hay and Root set before our delegates to The Hague conferences was a World Court for the settlement of international differences, made up of a permanent corps of able and experienced judges, guided in the discharge of their duties by legal principles and rules of procedure, and surrounded in all respects by the conditions essential to the exercise of a truly judicial spirit. This conception has at last been realized in the present World Court, of which an American, John Bassett Moore, is one of the brightest ornaments. Among the persons who shaped its actual

structure was the distinguished statesman, Elihu Root, whose influence has been so potent in creating the public opinion that made its existence possible; and it was through, or mainly through, his happy suggestion that the judges of the court should be selected by the concurrent action of the council of the league, in which only the greater States of the world are represented, and the assembly of the league, in which both the greater and smaller States of the world are represented, from a list of names, supplied by The Hague arbitration panel, that a means was found for allaying the jealousy which has made the smaller States unwilling to unite with the larger in establishing a World Court through the action of The Hague conference of 1907. It ought, therefore, to be a source of pride to us all that the pending resolution should seek to bring the United States within the pale of an institution so distinctly American, in its origin, in many respects, and so congenial with what is best in the American genius as the present World Court.

In the next place, our entry into the World Court would give to the rest of the world the definite assurance that our great influence as a Nation would, thenceforth, at least as a member of that court, be exerted in behalf of world peace. That assurance can never again mean as much to other lands as it would have meant during the crucifying period, immediately after our refusal to ratify the Covenant of the League of Nations, when the cry that came to us from across the Atlantic was little less agonizing than that of Mount Calvary, "Lama Sabacthani, why hast thou forsaken me?" Without attempting to apportion the blame for that refusal, it is to me a thought almost too painful for words that no matter under what circumstances, or to what extent, we may hereafter become a party to the present world concert for preserving world peace, we can never again hope by doing so to win for ourselves the mighty guerdon of national honor and prestige that we would have won if we had promptly ratified the Covenant of the League of Nations with or without reservations. But the restoration of Europe is not yet so far advanced, her future is not yet so clear that our entry into the World Court would not prove still another strong invigorating cordial to her in her effort to meet her present necessities, and to provide against a recurrence of the fearful catastrophe that caused them. It would constitute our first formal, official connection with the institutional arrangements, devised by human civilization, after the World War for the outlawry of aggressive war, the amelioration of labor conditions, and the repression of crimes and diseases of world-wide scope. It would bring additional strength and standing to the court. It would secure a still higher measure of respect for its decisions and a still prompter measure of obedience for its decrees. It would tend to expedite the codification of international law, which has been proposed by at least one great American lawyer, David Dudley Field, and has obtained wider favor in the United States, perhaps, than in any other civilized country. It would doubtless tend also to hasten the adoption of those enlightened principles of neutrality which American statesmanship has always championed so zealously.

In the third place, the entry of the United States into the World Court would doubtless be eventually followed by its entry into the League of Nations, and I have no wish to conceal the fact that this result would be a source of supreme gratification to me, though I am perfectly honest when I say that, even could I lift the veil of futurity and see that the United States will never become a member of the league, I should still earnestly support the pending resolution. Better that we should adhere to the World Court only than to no international agency at all for the conservation of international concord. As it is, I think that the entry of the United States into the World Court would break the ice of our national aloofness, so to speak, and would so habituate our country to the idea of cooperating with the other great powers of the world for the maintenance of world peace that it would finally become inclined to assume the same general measure of responsibility for world peace as they.

In other words, with our participation in its proceedings, the World Court would probably work so smoothly and successfully that the desire would spring up in the breast of the American people to be not only a party to the statute by which it was created but also a member of the world-wide league, which is clothed with both the duty and the power of compelling wrangling nations to submit their disputes to the decision of the World Court or to arbitration or to the council of the league.

More than one special reason has been recently urged why we should not enter the World Court. One, if I may borrow a term from the philosophy of evolution, is that the World Court contains in its structure too many vestigial proofs of its league origin. My answer to this is that so long as I am not asked to share the folly of requesting the 48 nations which are now parties signatory to the World Court statute to improvise a new court altogether, for the purpose of satisfying our national scruples, I am willing, if I can not secure our adhesion to the World Court on any other terms, to go as far as I am likely to be solicited in good faith to go toward excising from the structure of that court every rudiment of its league parentage. In a letter penned by the Senator from Idaho [Mr. BORAH], which was published in the Christian Century on February 5, 1925, he said:

> If I could bring myself to believe that the World Court is the kind of a tribunal which would really serve the cause of order and peace and become an agency for order and law in international affairs, I should not for a moment oppose it because the league had to do with its creation.

Transposing these words, I am prepared to say that, believing as I do that the World Court is that very kind of a tribunal, I shall not for a moment oppose it, because it may by reservations, as respects the United States, be completely or all but completely detached from the League of Nations.

Now, if never before, the notion that the other great civilized powers of the world can be induced even by their earnest wish to have the United States become a party to the World Court to organize a new court to take the place of the existing one is too abstract to deserve grave consideration. We need no better proof of that than the collapse of the plans severally brought forward by the late Senator from Massachusetts, Mr. Lodge, the Senator from Pennsylvania [Mr. PEPPER], and the Senator from Wisconsin [Mr. LENROOT], for the creation of a different electoral agency for the election of the judges of the World Court from that prescribed by the World Court statute. In an effort to establish some kind of new world Court the United States, it is safe to say, despite its high pretensions with respect to the Monroe doctrine, could not induce even a solitary member of the sisterhood of American countries to unite. Neither Mexico nor Ecuador have ever indicated any wish to enter either the World Court or the League of Nations on any terms. They ought to be set down, therefore, by the extreme opponents of those institutions in this country as endowed with an even more enlightened instinct of self-protection than the United States. On the other hand, Canada, though, so far as invasion is concerned, she is protected not only by the power of the British Empire but by the power of the United States as well, has entered both the World Court and the League of Nations. Indeed, the President of the last assembly of the league was a Canadian—Raoul Dandurand—a distinction of which any statesman of our own country might well be proud. The presidency of an earlier assembly, you will remember, was filled by a citizen of Cuba. And, with the exception of Mexico and Ecuador, there is no Central or South American country which is not a member of the League of Nations; and with the exception of Mexico and Ecuador, Argentina, Guatemala, Honduras, Nicaragua, and Peru, there is no Central or South American country which has not signed the World Court protocol. The idea that the Western Hemisphere is to be a hermit hemisphere wholly disassociated, except for selfish purposes, from the eastern, is an idea too contracted, too unfeeling, too unwise, to receive the approval of the statesmen of those countries, inferior to our own statesmen as they may be deemed to be by some of our extreme isolationists. I, at least, was not surprised, a few days ago, when Chile was said to have filed a protest with the secretary general of the league, charging that General Pershing was unduly dilatory in fixing the date for the plebiscite in the Tacna-Arica controversy. I do not doubt that the time will come when the Latin communities of this hemisphere will be far more disposed to look to the League of Nations than to the Monroe doctrine for their security.

Another claim is that our entry into the World Court should be conditioned upon the adoption of an international agreement outlawing all war between nations. In my humble opinion, the importance of this idea, from a practical point of view, has been very much exaggerated. International warfare is by no means all warfare. We should remember that there is also such a thing as civil warfare, domestic warfare, intestine warfare, arising out of internal insurgency or rebellion, which often the national authority can quell only with an army. It not infrequently happens, too, that one nation may, almost without a word of warning, invade another and that the country invaded may find it necessary to repel the invasion with military force. The only kind of warfare, therefore, that could reasonably be made the subject of outlawry is aggressive warfare waged by one separate country against another; and so far as

such warfare is concerned, paper proclamations or conventions of outlawry would not seem to be anything like so efficacious as the provisions of the covenant of the League of Nations which, in case a member of the league refuses to submit a controversy to which it is a party, and which may lead to war, to judicial decision or arbitration or the action of the council of the league, empower the other members of the league to compel obedience to the covenant of the league by an economic boycott or, if indispensable, even by military coercion. Provided that war between nations is actually treated by that covenant as an outlaw, I can not see that we need concern ourselves much about its being declared such by any other instrument.

Another claim is that our entry into the World Court should also be conditioned upon the codification of international law. As to this claim, it is enough to say that at the present moment a committee of distinguished lawyers appointed by the Council of the League of Nations, of whom former Attorney General George W. Wickersham is one, is engaged in making a preliminary survey of this task. This committee furnishes but another illustration of the fact that it is not to Washington conferences but to the league that the world turns now whenever there is anything to be done for the promotion of world peace. I might add that a series of 30 projects or draft conventions prepared by the American Institute of International Law, and covering what Charles E. Hughes has called "The *American* International Law of Peace," has recently been submitted to the governing board of the Pan American Union. But while there is no such thing at this time as a code of international law by which all the civilized powers of the world have expressly agreed to abide, there is, and for many years has been, a body of international law reflecting, except in some particulars, the universal assent and approval of the world, which is recognized by all civilized countries as morally binding upon the conscience of mankind, and is frequently enforced in the judicial tribunals of civilized countries and in no judicial tribunals more firmly than our own. By the express terms of the World Court statute it is provided that the World Court shall apply international conventions, whether general or particular, establishing rules expressly recognized by the contesting states, international custom, as evidence of a general practice accepted as law, and the general principles of law recognized by civilized nations. What this means ought to be as manifest to us as to any people in the world.

The existence of the law of nations was recognized by us as long ago as 1787 in the provisions of the Federal Constitution which empower Congress to define and punish offenses against the law of nations. In 1796, in the case of Ware *v.* Hylton (3 Dallas 199, 227) the Supreme Court of the United States had occasion to apply this law, which, it said, fell under three heads: The general, the conventional, and the customary law of nations. The first is universal, is founded on the general consent of mankind, and is obligatory upon all nations. The second is based on express consent, and binds only those nations which have assented to it. The third is based on tacit consent, and also binds only those nations which have adopted it.

Some years later, in the case of the 30 Hogsheads of Sugar *v.* Boyle (9 Cranch, 191), Chief Justice Marshall spoke of the law of nations as—

> the great source from which we derive those rules respecting belligerent and neutral rights which are recognized by all civilized and commercial States throughout Europe and America. This law—
>
> He said—
>
> is in part unwritten and in part conventional. To ascertain that which is unwritten we resort to the great principles of reason and justice; but as these principles will be differently understood by different nations under different circumstances we consider them as being in some degree fixed and rendered stable by a series of judicial decisions. The decisions of the courts of every country, so far as they are founded upon a law common to every country, will be received not as authority but with respect. The decisions of the courts of every country show how the law of nations in the given case is understood in that country, and will be considered in adopting the rule which is to prevail in this.

As late as the year 1895 Mr. Justice Gray in delivering the opinion of the Supreme Court in the case of Hilton *v.* Guyot (159 U. S. 113, 163) declared that international law in its amplest sense is part of our American law and must be ascertained and administered by the courts of justice as often as such questions are presented in litigation between man and man, and duly submitted to their determination.

> The most certain guide, no doubt, for the decision of such questions—
>
> He said—
>
> is a treaty or a statute of this country; but when, as is the case here, there is no written law upon the subject the duty still rests upon the judicial tribunals of ascertaining and declaring what the law is whenever it becomes necessary to do so in order to determine the rights of parties to suits regularly brought before them. In doing this the courts must obtain such aid as they can from judicial decisions, from the works of jurists and commentators, and from the acts and usages of civilized nations.

Some years later the Supreme Court, when dealing with the seizure by American war vessels at the beginning of the Spanish-American War of certain Spanish fishing craft, said:

> By an ancient usage among civilized nations, beginning centuries ago and gradually ripening into a rule of international law, coast fishing vessels, pursuing their vocation of catching and bringing in fresh fish, have been recognized as exempt with their cargoes and crews from capture as prizes of war.

The paquete *Habana* (175 U. S. 677). This doctrine the court recognized only after tracing its history back to its earliest origin through the writings of students, the decrees of English kings, treaties between monarchs, ordinances of the French kings, standing orders of the British Admiralty, the treaty of 1785 between the United States and Russia, and the treatises of Kent, Wheaton, Halleck, Wharton, Calvo, DeCussy, Ortolan, DeBoeck, and Fiore.

Some objection has also been made to the office performed by the World Court in rendering advisory opinions in relation to disputes or questions referred to it by the Council or the Assembly of the League of Nations. Of course, as the Senator from Montana [Mr. WALSH] has so convincingly shown, this office comprehends only disputes or questions of a legal or juridical nature, and none of any other kind have ever been entertained by the court. Intrinsically, there would certainly appear to be nothing gravely objectionable in such an advisory function. On the whole, it may be best that the jurisdiction of every court of justice should be limited to actual controversies between litigants. Unquestionably there is much to be said for that view; and in deprecating the exercise of advisory authority by the World Court, I do not understand either John Bassett Moore or Elihu Root to have gone beyond it. Nevertheless, it is a fact that even in nine States of the Union—Alabama, Colorado, Delaware, Florida, Maine, Massachusetts, New Hampshire, Rhode Island, and South Dakota—the judiciary may be called upon by the legislature or the executive to render merely advisory opinions as distinguished from judicial decisions. Indeed, there are both English and Canadian precedents for this practice. Nor can it be denied that in forming its opinion upon any dispute or question referred to it by the council or the assembly of the league it is the habit of the World Court to hold as formal a hearing and to institute as thorough an investigation as if it were sitting for the purpose of delivering a judicial decision. In one instance it has declined in the exercise of its discretion to render an advisory opinion when requested to do so. Moreover, it is a fortunate thing that the League of Nations should have in the World Court a legal adviser with far more prestige and authority than any ordinary staff of legal experts could possibly have. Sound advice from such a learned and highly respected body of jurists might well save the league many a false step in the exercise of its executive powers. The real objection, I imagine, to the delivery of advisory opinions by the World Court is referable to the fact that article 14 of the covenant of the hateful league declares that the World Court may give an advisory opinion upon any dispute or question submitted to it by the council or the assembly of the league; but, as the Senator from Wisconsin [Mr. LENROOT] has said, the right of the World Court to render such an opinion is not derived directly from article 14 of the covenant, but from section 36 of the World Court statute, which says that the jurisdiction of the court comprises all matters especially provided for in treaties and conventions in force, among which, of course, the covenant of the league is one.

At this point, therefore, let me declare that I am deeply gratified by the opportunity that the pending resolution affords the United States to join hands with the most highly civilized nations of the world in an effort to substitute an international court of justice for war as a means for settling international differences. I agree with President Hibben, of Princeton University, in thinking that to do that is the minimum that we owe to the cause of world peace at the present time; and why we should hesitate to do at least that much is more than I, at any rate, can understand; though I have not forgotten the famous injunction of Oxenstiern, the Swedish minister, to his son: "My son, go out into the world, and see

with what little wisdom it is ruled." As I have already declared, the World Court is really an American idea; and even if we should enter it, we should not be obliged to submit to it any controversy in which we were interested, unless we chose to do so. Surely we need no present reminder of the supreme importance of some world-wide institution, organized for the purpose of protecting mankind against the tragedy of war. Only seven years ago the World War swept over the face of the globe, leaving in its wake some 10,000,000 of dead human beings, 20,000,000 of crippled human beings, and vast legacies of debt, of which no Member of this body will ever see the end. Ahead of us is the fact that unless war can be held in check by some international coalition it is only a question of time when some other Cæsar's or Kaiser's spirit, with Até by his side, come hot from hell, will cry "Havoc," and let slip the dogs of war.

It is true that, in spite of our attitude of selfish seclusion, the other civilized powers of the world may be able, unassisted by us, to make the world safe for democracy everywhere, including the United States, which has always been supposed to be its most powerful stronghold. If so, the soul of our own people might well despise a safety bestowed upon them only by the foresight and energy of other nations wiser and more magnanimous than they. But should the scourge of war again descend upon the greater part of Europe for the lack of an international agency to arrest its descent, nothing could be more illusory, more fatuous, than the idea that we might escape its horrors. In point of fact, even before the world, through increased means of intercommunication, devised by modern invention, became so small, we found it impossible to keep clear of European wars. As early as the latter part of the eighteenth century we were drawn into the war of that day between England and France, though France had but recently been our cherished ally. In 1812, too, we were drawn a second time into a war between England and France, though we almost lost our self-respect before we could be induced to take up arms against England. Even during our Civil War nothing but an apology in the *Trent* affair kept us from being involved in another war with England; and never did a people strive more resolutely to keep out of a war than did we to keep out of the World War.

I was a member of the National Democratic Convention which nominated Woodrow Wilson to the Presidency for the second time. The prayer by which that convention was opened was a solemn invocation to the spirit of peace; peace was the burden of the address delivered by its preliminary chairman; peace was the burden of the address delivered by its permanent chairman; and through all the proceedings of that convention ran the words "He [meaning Woodrow Wilson] kept us out of war." Believing that men were crying "Peace, peace," when there was no peace, I more than once felt like reaching out for my hat and vacating my seat in that convention for once and all. What was the result? That mighty hymn of peace kept Woodrow Wilson in the Presidency, but it did not keep us out of war. The futility of our efforts successfully to preserve our neutrality when the swords of foreign nations are flashing and clashing over our ships at sea was again illustrated. In the course of a few months outrage after outrage was committed upon the property rights and lives of our citizens, which simply made it impossible for us, as a self-respecting people, not to go to war. Let another war involving some of the great powers of Europe break out, and the same train of influences would, in all human probability, produce practically the same consequences. Again deadly wounds would be inflicted upon our commerce with foreign nations; again a great volume of indignant remonstrance would ascend from our people; again we would be inditing diplomatic notes to which no satisfactory answers would ever be returned; again we would mobilize the youth of our country to die in battle or in the military hospitals; again we would be sending 2,000,000 or more soldiers across the submarine-infested seas to lousy and blood-stained trenches on the European Continent; again, if victorious, we would be distributing vast sums in military bonuses and pensions; again we would place an enormous burden of taxation upon the productive energies of our country. The truth is that since the day when Jefferson warned us against forming any entangling alliances with foreign nations, the steam car, the steamship, the telegraph, the telephone, and the radio apparatus have worked a profound change in the size of the globe. Hemisphere has been brought closer to hemisphere, continent to continent, and mainland to mainland. The briefest time in which Benjamin Franklin could hope to cross the Atlantic in a sailing vessel was 30 days; now a steamship makes the same crossing in five or six days. When the British invaded the United States during the War of 1812, each of their ships could transport only some 250 soldiers at a time to our shores. During the recent World War as many as 8,000 American soldiers were occasionally conveyed to Europe in a single ship. Europe is no longer 3,000 miles from the United States; it is just across the ferry from it. Japan is no longer 5,000 miles from the United States; it is just across the lake from it. The earth has become the smallest of all the satellites that revolve about the sun—smaller than the red planet Mars, smaller even than the swift-footed planet Mercury. A fleet of airships has recently circled the globe, after covering a distance of 28,000 miles, and spending only 371 hours in the air; a Zeppelin has lately passed from the Swiss border to the United States in 81 hours; one of our daily postal airships traverses the 2,680 miles between New York City and San Francisco in about 34 hours. We might still be able to take Jefferson's advice, and keep aloof from entangling alliances with foreign nations in time of peace, but we can not hope to keep aloof from hostile contacts with one or the other of two great European belligerents when engaged in a deadly grapple with each other.

The only way in which we can hope to do that is to enter into an alliance with the entire civilized world for the purpose of shielding the entire world against war. And even such an alliance would not be effective for that purpose unless it were endowed with the proper working organs. Many persons talk of peace as if it depended merely on the will to peace; but, of course, it does not. The thought of the "good gray" poet, Whittier, that "Peace unweaponed, conquers every wrong," is an inane dream. Peace can not be secured simply by crying, "Peace, peace," even though that word were shouted in stentorian relays of sound all the way from the Antarctic Circle to the Arctic. Peace has, in its own unaided spirit, no miraculous efficacy like the hem of Christ's garment to bless and to heal. It is quite true that a majority of the people in every civilized land are earnestly averse to war. From what I have heard from friends who were in Germany on the eve of the Great War, the majority even of the German people at that time, despite the despotic ascendancy of their military caste, were opposed to war. It was only because, as Shakespeare says, "Never alone did the King sigh but with a general groan"; that when they found themselves hurried into the World War by this caste they ceased to take counsel of anything except their patriotism.

But the spirit of international peace to be firmly maintained between nations must be institutionalized, just as the free spirit of the American people to prevail must find expression in a President, a Congress, a Supreme Court, an Army and a Navy, a State militia, and a city police force.

In other words, to make its influence really felt, world opinion in favor of world peace must be organized. At the present time there is indubitably a peculiarly strong international prepossession against war. Indeed, perhaps never in the history of the world, ancient or modern, has this feeling been so widespread or so potent. In every truly civilized land the will to war has been displaced by the will to peace. The whole world realizes that if there should be another World War, marked by even more devilish agencies of havoc and death than the last, there would be left nothing for humanity to do except to heed the advice of Job's wife and to "curse God and die." If man is destined again to become involved in such a vast and hideous orgy of bloodshed as the World War, I, for one, trust that the Deity will destroy him, and try his hand at fashioning another and a better being in his stead.

Who would have supposed that seven years after the World War Germany would enter into a treaty by which she would relinquish forever all claim to Alsace and Lorraine, and by which Great Britain and Italy would agree that in case of aggressive warfare waged upon France by Germany or upon Germany by France they would take up arms against the aggressor; or that, within the same brief space of time Germany would be on the point of entering the League of Nations? When she does enter and commits the present democratic spirit of her great people to the vow of international amity set forth in the covenant of the league all her former foes, elated with the consciousness of a far nobler triumph than that sealed at Versailles, may then well exclaim in the words of Milton, "Peace hath her victories no less renowned than war."

Personally I do not doubt that in a few more months some plan will be formed under the auspices of the League of Nations by which the armaments of its members will be reduced to the lowest practicable limits; though, as an American, I for one should be ashamed to see a conference for such a purpose held at Washington at the instance of our country if it still lacked the vision or the courage to meet the full measure of its continous responsibility for world peace. Now, in the providence of God it has even come about that the world sentiment in favor of universal peace, to which I have referred, has

been embodied in a world league and a world court, which between them provide both the judicial and executive instrumentalities through which that sentiment can effectually be employed for the preservation of world peace. If our counsels are still too timid and irresolute, or still too deeply biased by factious considerations, to permit us to enter the world league, by all means let us at least enter the World Court, even though by limiting our cooperation to that we should leave to a bolder spirit than our own the duty of enforcing its decrees through the league. Then we might hope that when a Republican administration was invited by the members of the league to participate in an international conference for the furtherance of disarmament it might be induced to pursue some foreign policy just a little less timorous than that of a mouse which has courage enough to project its head beyond his hole, but not enough to withdraw his tail from it, too.

In discussing the pending resolution I have endeavored to do so with as little temper as possible. I have been dogmatic enough to say that I could not understand why we should hesitate to enter the World Court merely, nor when I remember how closely in keeping with our past traditions such a step would be, and how free we would be to submit a controversy to which we were a party to the World Court or not, as we pleased, can I understand why any Member of the Senate should believe that we should not enter the World Court simply because in some respects it is related to the League of Nations. That it owes its immediate origin to a statute initiated by the league; that it is in a sense the judicial organ, the agent of the league, and a working part of the same political system as it, this I do not deny. The truth is that the predominance of the league at the present time in the field of international cooperation is so commanding that all international agencies for the promotion of peace which amount to anything must necessarily be affiliated with it in one degree or another, and that any world court but the World Court now actually sitting at The Hague under the aegis of the 55 civilized powers which make up the league belongs to lunar rather than to sublunary politics; but I do deny that the origin, the organization, or the functions of the World Court are such as to make it unduly subservient in any way to the influence of the league, and if I do not follow this denial up by arguments and illustrations, it is only because the Senator from Virginia [Mr. SWANSON], the Senator from Wisconsin [Mr. LENROOT], and the Senator from Montana [Mr. WALSH] have saved me the need for doing so. Aside from the reservations contained in the pending resolution the World Court enjoys all the independence of the league that is requisite for the untrammeled exercise of its duties, but with those reservations how could anyone doubt that such would be its status so far as the United States would be concerned? The real issue in this debate is not whether the World Court without the reservations of the pending resolution, but whether the World Court with those reservations is too closely related to the league.

I should, however, be possessed of a strongly prejudiced mind did I not see how any American might reasonably object to our entry into the World Court if he were hostile to the League of Nations and honestly believed that our entry into the court would probably prove but a preliminary step to our entry into the league. The World Court is only a judicial institution. The league is a political institution backed by sanctions, including military sanctions, which impose no small measure of responsibility upon its members. Our entry into the World Court would really involve no departure from our national traditions with respect to the amicable settlement of international disputes. It only institutionalizes in a juridical manner the practice of international arbitration to which we have always been so conspicuously addicted; but, unquestionably, though as I look at it most acceptably, our entry into the League of Nations would involve a grave departure from the traditions of our foreign policy. There has been a time in the history of the United States when even a coalition between us and all the other great civilized powers of the world for the purpose of keeping down war would have been generally obnoxious to our national instincts. Our idea then was to live off to ourselves in a secluded corner of the world, to refrain from all intermeddling with the political activities of Europe, and to ask in return that she refrain from attempting to acquire a permanent foothold in any part of the Western World. The putting off, then, of the United States from America to Geneva would have seemed almost as adventurous as the putting off of Columbus in 1492 from Palos to the Indies. But, as I have already said, in the course of recent events, our relations to Europe have been totally revolutionized by the march of human invention, and I might add by the altered temper of the world with respect to war. It is true that there has been more than one sanguinary conflict between nations within the last 50 years, and it is likewise true that one of these wars, the World War, in waste of blood and treasure, surpassed any war in human history; but there is comfort in the thought that the destructiveness of modern wars is not due to any increase of animal ferocity in the heart of man, but merely to the fact that latter-day science, including chemical science, latter-day industrialism, and latter-day capacity for mobilizing practically the entire population of the State for the purposes of war have fearfully augmented the ability of nations to battle effectively. It is not too much to say that it is the widespread and lethal nature of modern war that has brought the civilized nations of the world to the conclusion that war is now accompanied with too appalling losses of life and money to be tolerated any longer. Savage and backward communities are still quick to take up arms, but despite the stupendous armaments which the great civilized powers of the world still maintain these powers have lost the primeval stomach for fight which belonged to more barbarous ages than ours. As I see it, the will to peace which has been such a striking sequel of the World War is but another and a nobler stage in the evolution of human society. While man, as Darwin has said, still bears in his anatomical structure indelible proofs of his lowly origin and is still solicited strongly by the appetites and passions of his savage state, yet it can not be denied that, responding to the inherent laws of his being or to "some far-off, divine event to which the whole creation moves," he has from the beginning of human existence been ascending from lower to higher and higher levels of moral and spiritual achievement.

I say nothing of his advance in material comfort and luxury, because, unless attended by corresponding improvement on the immaterial side of his nature, that means but little. The true miracles that have been wrought by human progress have been wrought in the nature of man himself, in his conscience, in his soul. From a brutish, fetish worshiper, a groveling idolator, a blind bigot, he has become a free and enlightened creature. Religious superstition, witchcraft, human sacrifices, cannibalism, gladiatorial shows, human slavery, piracy, the duello, innumerable political and social abuses have all melted away in the light of human advancement, but one supreme conquest of man over himself remains to be achieved. Until he shall have curbed international warfare as he has curbed domestic crime, it will be but arrogance for him to deem himself a consummately civilized human being. To accomplish that is the highest object that humanity can set before itself to-day. At this moment it is the object upon which its attention is riveted most earnestly, and faithless, in my opinion, to the great opportunities that God has bestowed upon it, would the United States be if famed as it has been for its generous love of liberty, its hatred of aggressive warfare, its quick human sympathies, its respect for human rights, its tenderness for human suffering, its lofty national ideals, it were, nevertheless, from lack of feeling or courage to refuse to unite with the other members of the great brotherhood of nations for the purpose of settling international controversies by the calm voice of human reason and justice, speaking through the organs of a permanent tribunal of international justice rather than by the cruel and insatiable edge of the sword.

ESTATE AND GIFT TAXES

Mr. FLETCHER obtained the floor.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from Florida yield to the Senator from Kansas?

Mr. FLETCHER. I yield.

Mr. CURTIS. I move that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, the motion is agreed to. The Senate is now in legislative session.

Mr. FLETCHER. Mr. President, I ask unanimous consent to offer some views with respect especially to the estate-tax provision in the revenue bill, being House bill 1. I recognize it is a little premature, but the revenue bill is being considered by the Senate Committee on Finance and I have some matters which I wish to submit both to the committee and to the Senate in regard to the estate-tax provision of the bill. I therefore ask permission to proceed now to do so, somewhat out of order.

The PRESIDING OFFICER. Without objection, the Senator from Florida will proceed.

Mr. FLETCHER. Mr. President, I wish to submit some observations on my proposed amendments to House bill 1.

I have moved to strike out Title III, estate tax, page 141, and to repeal all estate tax laws and also all laws laying gift taxes.

Section 301 (a), page 141, provides:

In lieu of the tax imposed by Title III of the revenue act of 1924, a tax equal to the sum of the following percentages of the value of the net estate (determined as provided in section 303), is hereby imposed upon the transfer of the net estate of every decedent dying after the enactment of this act, whether a resident or nonresident of the United States.

Paragraph (b), page 143, provides:

The tax imposed by this section shall be credited with the amount of any estate, inheritance, legacy, or succession taxes actually paid to any State or Territory or the District of Columbia, in respect of any property included in the gross estate. The credit allowed by this subdivision shall not exceed 80 per cent of the tax imposed by this section, and shall include only such taxes as were actually paid and credit therefor claimed within four years after the filing of the return required by section 304.

Section 304, page 154, provides:

(a) The executor, within two months after the decedent's death, or within a like period after qualifying as such, shall give written notice thereof to the collector. The executor shall also, at such times and in such manner as may be required by regulations made pursuant to law, file with the collector a return under oath, in duplicate, setting forth (1) the value of the gross estate of the decedent at the time of his death, or, in case of a nonresident, of that part of his gross estate situated in the United States; (2) the deductions allowed under section 303; (3) the value of the net estate of the decedent as defined in section 303; and (4) the tax paid or payable thereon; or such part of such information as may at the time be ascertainable and such supplemental data as may be necessary to establish the correct tax.

(b) Return shall be made in all cases where the gross estate at the death of the decedent exceeds $50,000, and in the case of the estate of every nonresident any part of whose gross estate is situated in the United States. If the executor is unable to make a complete return as to any part of the gross estate of the decedent, he shall include in his return a description of such part and the name of every person holding a legal or beneficial interest therein, and upon notice from the collector such person shall in like manner make a return as to such part of the gross estate.

The Federal estate tax has always been regarded as an emergency measure, necessitated by war.

In the last analysis the Federal estate tax was a war measure and has been sustained as such. (Inheritance Taxation, third edition, Gleason and Otis.)

It has always been abandoned soon after the war.

The Federal Government can impose two kinds of taxes—what are called direct and indirect taxes.

From 1796 until 1895 it had been understood that direct taxes included only poll taxes and taxes on land. (Hylton *v.* U. S., 3 Dallas 171; Springer *v.* U. S., 102 U. S. 586.)

Then—1895—came Pollock *v.* Farmers Loan & Trust Co. (157 U. S. 429) (5 to 4 decision), wherein it was held that—

direct taxes within the meaning of the Constitution included taxes on personal property and the income of personal property, as well as taxes on real estate and the rents or income of real estate.

This conclusion was fatal to the income tax act of 1894.

Then came the sixteenth amendment proposed by Congress to the legislatures of the several States in 1909, which was ratified and took effect in 1913.

That amendment did not extend the Federal taxing power to new or excluded subjects, but merely removed any occasion for the apportionment among the States of taxes levied on income, whether it be derived from one source or another. (Peck *v.* Lowe, 247 U. S. 165.)

The sixteenth amendment conferred no new taxing power. (Stanton *v.* Baltic Mining Co., 240 U. S. 103, 112.)

This amendment has not changed the rule that Congress has no authority to tax the interest on municipal bonds. State agencies and instrumentalities are still exempt where they are of a strictly governmental character.

It is true now, as it has always been, as expressed in Cooley's Constitutional Limitations, seventh edition, 684:

There is nothing in the Constitution which can be made to admit of any interference by Congress with the secure existence of any State authority within its lawful bounds. And any such interference by the indirect means of taxation is quite as much beyond the power of the national legislature as if the interference were direct and expressed.

NOT UNIFORM

The question, then, is: Is paragraph (b) of section 301 of the bill repugnant to Article I, section 8, clause 1, of the Constitution?

Indirect taxes—duties, imposts, and excises—must be uniform throughout the United States.

In Knowlton *v.* Moore (178 U. S. 41), the Supreme Court held the word "uniform" to be synonymous with "to operate generally throughout the United States."

There are two States—Florida and Alabama—under the constitutions of which no inheritance tax can be imposed by them.

Nevada has repealed her inheritance tax law as of the 1st day of July, 1926.

An estate in Florida, Alabama, and Nevada will pay no inheritance, succession, or estate tax to the State. An estate in any other State will pay such tax to the State in amounts which vary according to the laws of those States.

This provision of the proposed act would therefore not operate generally throughout the United States.

TO PROMOTE UNIFORMITY

The national committee on inheritance taxation, whose recommendations are being followed in this bill, frankly said in their report, page 29:

If Congress will enact a law carrying rates which impose a reasonable burden upon estates and will allow 80 per cent credit for taxes paid to the several States, there will be a strong incentive for all the States to promote uniformity by adjusting their rates so as to realize neither more nor less than the amount credited on the tax payable to the Federal Government.

Of course, if the States realize no more than the amount credited on the tax payable to the Federal Government, the latter would simply do the work of collecting the tax for the States.

If they realize less, the Federal Government would in that case receive something for its trouble and expense.

That report says, page 129:

This provision would thus have a far-reaching effect in promoting uniformity among the States.

We would then have a tax imposed which the Constitution says shall be "uniform," the main purpose of which is "to promote uniformity among the States."

This is a new limitation not found in the Constitution. Where is the authority of Congress to lay taxes to promote legislative uniformity among the States?

The kind of "uniformity" it will inevitably promote will be to cause all the States which can or will have any inheritance tax laws to raise their present levies or change their laws so as to provide for the collection of such taxes in amounts equal to 80 per cent of the Federal tax.

The Federal Government assumes to compel or induce, at least, the States to impose burdens on their taxpayers and placate them by saying they will have credit on the Federal taxes to the amount they pay their States.

The best evidence of that is just what has taken place.

The revenue act of 1924 allows a credit of 25 per cent, and we find New York, Pennsylvania, and Georgia amending their laws already to take advantage of this credit now granted.

It is expected at the next sessions of the legislatures other States will do the same thing unless this bill passes with this provision, in which case they will raise the limit to 80 per cent of the Federal tax.

This provision is to be held as a club over the States to coerce them into changing the inheritance tax laws which their people want, in order to have them provide for death taxes equal to 80 per cent of the Federal tax.

This committee, after a thorough study of the whole subject, in a more illuminating and convincing way, presents forcefully their view:

Under the generally accepted theory inheritance taxes are impost or excise taxes upon the right to transmit property at the death of the owner. This right is granted and controlled by State law and not by the laws of the United States. The right of the Federal Government to levy the estate tax exists under what is known as the excise tax power conferred by the Constitution of the United States. Since, however, the laws of the United States neither grant nor control the right of transmission the Federal act has not the same logical basis of justification that exists in the case of State inheritance tax laws.

Although a Federal inheritance tax law was passed as early as 1797, the Federal Government has resorted to this method of raising revenue only under pressure of emergency caused by war, and heretofore the taxes have been repealed as soon as the pressure was removed. The statute of 1797 was repealed in 1802; a second statute was in force from 1862 to 1870; a third from 1898 to 1902, whereas the present statute enacted September 8, 1916, after several amendments, still remains in force. This field, therefore, in the past has been left, except in war emergencies, entirely to the States, and the present encroachment by the Federal Government seriously affects State revenues.

The Federal Government is better able to give up this object of taxation than are the States.

The largest annual collection from the estate tax since its adoption in 1916 was $154,043,260.39 in 1921, as will appear from Table II, Federal estate tax receipts for the years 1917 to 1925, inclusive. The receipts during the fiscal year ended June 30, 1925, were only $101,421,766.20, or 3.9 per cent of the total internal revenue receipts. Federal expenditures, including interest on the public debt, are decreasing annually and should continue to decrease. It is estimated that the present financial status will permit an immediate tax reduction of several hundred million dollars, which would permit the repeal of the Federal estate tax and still leave a large reduction to be applied to such other sources of revenue as Congress might determine.

If 80 per cent of the Federal tax will be credited on the estate taxes hereafter, it is doubtful if the Government will realize $20,000,000 annually from this source.

Clearly it is not "to pay the debts and provide for the common defense and general welfare of the United States" that the estate tax provision is included in this bill.

We are reducing revenues $350,000,000 in this bill. The war has been over seven years; it is proposed to credit certain taxpayers 80 per cent of estate taxes when they pay that much in the States.

The estate tax is not authorized, in such circumstances, by the Constitution.

It would not be imposed because the revenue is needed. We are giving up revenue by the millions under the terms of this bill.

It would not be laid for the purposes required in the Constitution.

The committee mentioned were right when they reached the unanimous conclusion that the Federal tax should be repealed. They should have stopped there, omitting "that the repealing act should not become effective until at the expiration of six years from its passage."

Notwithstanding Knowlton *v.* Moore (170 U. S. 41) and New York Trust Co. *v.* Eisner (256 U. S. 345), the fundamental principles keep thundering in our ears and knocking at our reason, that the separate States are sovereign and independent and the Federal Government has only limited, delegated powers.

If this estate tax is imposed, not for the purposes mentioned in the Constitution, but rather for the purpose of coercing the States into uniformity of legislation satisfactory to the Federal authorities, if the tax is imposed for other than the uses for which it is authorized, or is arbitrary, or without basis for classification, it is repugnant to the Constitution. The fifth amendment would come into play in such case.

The people of Florida and of Alabama and of Nevada have the sovereign right to determine to what extent and by what method they will tax their people and lawfully provide the necessary revenues required by their governments, respectively. The United States has no authority to interfere with or embarrass them. No individual or set of individuals can properly question the motives or the wisdom of the people of those States in dealing with their domestic affairs.

Under our dual system of government the sovereignty and independence of the separate States within their spheres are as complete as the sovereignty and independence of the Federal Government within its sphere. Neither can interfere with or encroach upon the other. (Railroad Company *v.* Penniston, 18 Wall. 5, 20.)

The possibility of imposing the will of the Federal Government upon the State, or of one State or a group of States upon another State, with respect to her internal affairs, is the very thing which the founders of the Republic sought most carefully to avoid.

Here the Federal Government proposes to credit certain taxpayers in every State, except three, with a portion, up to 80 per cent, of this estate tax. The sole object and purpose of this provision of the bill is to bring economic pressure to bear in a way to embarrass these three States in respect to their revenue laws and compel them to get into accord with other States and impose upon their people inheritance tax laws whether they want them or not.

Had it been understood in 1787 that a grant of taxing power to the General Government involved such a curtailment of State independence it is very doubtful if even a few States could have been persuaded to ratify the Constitution.

Here is what Secretary Mellon said in March, 1924, as reported:

Inheritance taxes are properly sources of revenue for the States. They are a material element in a State budget; they are a comparatively small element in the Federal Budget. To deprive the States of this source of revenue, properly their own, is to compel the States to increase taxes and to resort to their principal source of income, which is levies on land. The far-reaching economic effect of high inheritance taxes is not properly understood. These taxes are a levy upon capital. There is no requirement in our law, as there is in the English law, that the proceeds from estate taxes shall go into capital improvements of the Government.

In other words, capital is being destroyed for current operating expenses, and the cumulative effect of such destruction can not help but be harmful to the country. Again, estates have to be liquidated to the extent necessary to provide for taxes, and the forced sale of property and securities tends to bring down not only the value of such property and securities, but values everywhere. The ultimate effect of this is to bring down the very values upon which the tax is levied, and ultimately to destroy the productivity of the tax both to the State and to the Federal Government.

The provision that State inheritance taxes may be credited to the Federal tax to the extent of 25 per cent is in effect a partial payment by the Government to the States of the inheritance tax collected by the Government and works a discrimination between States having different rates of tax.

In hearings before the House Ways and Means Committee when this bill was being prepared, October 19, 1925, Secretary Mellon said:

ESTATE TAXES

It is the opinion of the Treasury that the Federal estate tax should be repealed. The reasons for this position have been frequently stated, but I can summarize them as follows:

There is no logical basis for the Federal Government collecting this tax. The right of inheritances is controlled by the States, and the Federal estate tax is based only upon the theory that to transmit property by death is the exercise of a privilege which can be made subject to taxation, just as we might levy a tax on the privilege of selling property. The present law, with its 40 per cent maximum, has not been before the Supreme Court and the question has never been determined as to whether or not you can confiscate a large part of the property through a tax on the exercise of the privilege of transferring it. Would a sales tax be constitutional which took the bulk of the property sought to be sold? The States are confronted with no such question. They alone control inheritance. I raise this point simply to show that the tax is one belonging to the States and not to the Federal Government.

Estate taxes have always been a source of emergency revenue. It is only in war periods that the Federal Government has made use of them, and, except in the present case, they have always been repealed when the emergency ended. They should be saved for this purpose. We ought not to use our reserves in time of peace. We may need them badly when the next emergency arises. There is no emergency now.

Taxation by the Federal Government is going down, and that of the States going up. The States need every source of revenue available. In the majority of States the Federal tax directly decreases the property which the State can tax. For example, if an estate pays $1,000,000 of tax, this is deducted from the net value of the property on which the State percentage is levied. The States get no tax on the value represented by what the Federal Government has taken. Aside from the direct loss of revenue to the States there is an indirect loss. The present muddle of death taxes in this country could in some cases take more than 100 per cent of what a man leaves. Excessive Federal taxes contribute largely to this muddle. The result must be that ultimately values are destroyed, and with them the source from which the States must take revenue.

Under considerably lower rates the Federal estate tax once yielded about $150,000,000 a year revenue. This has gradually dropped off to $100,000,000, last year's revenue from this source being slightly below that of the year before. It is quite within the revenue requirements of the Government to eliminate this tax. If not in one year, certainly the rates might be materially cut in 1926, and the whole tax repealed in 1927. The revenue collections from this tax will exist for some time after the law is repealed. Taxes are not payable until a year after the death of the decedent. There are extensions of payment beyond that date without interest, and further extensions with interest. The result is that a repeal of the act effective January 1, 1926, would not be reflected at all in revenue collections until after January 1, 1927, and then revenue from tax would gradually diminish for the next four or five years. So an immediate repeal would not affect the revenue of the fiscal year 1926, and but half of that of 1927.

He also says, page 353, "The gift tax should be repealed," and gives cogent reasons therefor.

No one can escape the impression that it is very unjust and unfair legislation to permit certain States to have the benefit of deductions from the Federal inheritance taxes which do not apply to other States. The State having the highest inheritance taxes gets a preference over those having lower rates. A State having no inheritance tax at all has to pay a penalty. Under existing State legislation, inheritance taxes are imposed

on a basis of widely varying percentages, and the State having the highest percentage (not exceeding the limit in the Federal revenue act) can derive more revenue from this source than other States which have a lower percentage.

In some States the rate of inheritance taxes is fixed by the Constitution, which it would take a long time to amend. In any event, it is apparent that much time must elapse before the legislatures of all of the States can bring their rates of inheritance taxes up to the minimum exemption allowed under the Federal law. The constitutions of some States do not permit inheritance taxes, and these States would be at a disadvantage unless and until their constitutions be amended.

Moreover, if Congress should hereafter repeal or amend this exemption now proposed to be inserted in the Federal act, it would disturb the situation and require a new series of laws or constitutional amendments all over the United States to reestablish harmonious relations between the Federal and State laws. Such a situation would result in serious embarrassment and inconvenience, to say the least.

Without arguing the wisdom of an inheritance tax as a means of raising revenue, the purpose of the proposed provision in this bill is that it shall result in practically compelling every State to adopt an inheritance tax. More than this, it would seem to tend to the result of compelling every State to have a minimum inheritance tax sufficiently large to absorb the credit allowed by the pending bill. This would appear to be a violation of the States' rights. It is a rather subtle but very effective system of bringing about or forcing State legislation. Whether one believes in an inheritance tax or not, it is a subject on which each State ought to be left to adopt its own policy without being penalized or favored by congressional action.

There are those who object to inheritance taxes of any kind, because they believe they open up a limitless field of State exaction which gives an opportunity for wasteful appropriations and for public expenditures which are unnecessary and improvident. The fact is that there is no limit to income or inheritance taxes, and when they are started they may result in increased appropriations which year by year raise the States' necessity for money and correspondingly increase the rates of income and inheritance taxes.

At any rate, it is a question for each State to deal with as it deems best and sees fit. It is not a field the Federal Government should occupy in peace time. The President recognizes that, and he also indicates the purpose of the Government in holding onto this source of revenue for the present. In his message to Congress of December 8, the President said:

> Estate tax rates are restored to more reasonable figures, with every prospect of withdrawing from the field when the States have had the opportunity to correct the abuses in their own inheritance tax laws; the gift tax and publicity section are to be repealed, etc. (Page 4 of message.)

The effort to force the States to levy an inheritance tax by having the Federal Government impose such a tax, and then deduct 80 per cent of it from the amount paid the State, is most amazing.

Florida and Alabama are the only two States which impose no inheritance tax. Nevada will not after next July. Florida's constitution prohibits it. It is proposed to have the Federal Government impose such a tax and, in the case of Florida taxpayers, keep it all, while as an inducement for other States to tax their people the Federal Government will allow certain taxpayers in all States collecting that tax to deduct 80 per cent of the tax so collected from the amount the Federal Government assesses and pay it, instead, to their States.

It means coercion and is indefensible. That the States, other than Florida and Alabama and Nevada, should attempt to force upon the people of those States a local, domestic tax which they in the exercise of sovereign rights have determined they do not approve and will not have is a most astounding proposition. Florida has the right to refuse to impose any inheritance or income taxes on her citizens. No other States, not all the remainder, can compel her to do otherwise, and they ought not to attempt it. To use the assumed power of the Federal Government to that end is unjust, oppressive, and I do not believe will be sanctioned by Congress.

The remission of part of the Federal tax where there is a similar State tax to the extent of such State tax, and no further, and not exceeding 25 per cent of the Federal tax—in the act of 1924—was primarily an innovation. It had no precedent in Federal legislation, and I unhesitatingly say that the precedent itself is indefensible. This bill is an abuse of a vicious precedent. It proposes to increase the credit to 80 per cent of the Federal tax.

The obvious and essential effect is directly forcing by the Federal Congress upon the States and each State of a policy of collecting revenue by and for the State, and further tends to fix the practical limits of such collection by and for the State.

Essentially it is an interference with State policies, those fundamental policies without which one State can not be distinguished from another, without which a State can have no individuality, no autonomy, thus by mere brute force breaking down what little is left to sovereign States, which in the beginning assumed that the protective reservations, expressed and implied, in the Federal Constitution would permit them to retain their individuality at least. This interference is, in my opinion, an unconstitutional infringement in and of itself. In addition, it is unfair and unequal in its bearings upon the different States, seeing that, for a time at least, the States, respectively, can not so modify State legislation and possibly State constitutional provisions so as to come within this largess by the Federal Congress or stay without its penalty. Two or three States prefer not to have any tax of this nature. Whether that policy be good, bad, or indifferent should be left wholly to the State. The theory is that the State should change its methods of collecting such revenue as it may need, or should collect more revenue whether it needs it or not, merely because by doing so the State may obtain a gift from the Federal Government.

I am not presuming to question here the views of anyone who sees fit to conclude that Florida should obtain part of its revenue essential for carrying on its functions from inheritance taxes. My position is that the Congress has no power or privilege under the Federal Constitution to dictate, directly or indirectly, that Florida should obtain its revenue in whole or in part from this source; and that should the Congress, for no reason other than the one of raising Federal revenue, dictate such a policy to Florida or to any State or States, it is entering upon a new line of breaking down State autonomy that is contrary to those fundamentals called "State rights," which should be held sacred.

The transfer of title to property upon the death of a proprietor depends upon the will of the sovereign State. A property holder has the right to devise and bequeath his property only because the State has given him that power. So, also, the right of the children or next of kin to take and enjoy the property of a proprietor, who dies intestate, depends upon the grant of that right by the State. The power to regulate the transfer of title to the property of decedents belongs to the State in which real propery is located or of which the decedent was a citizen.

The Congress of the United States is without power to prescribe rules for the transfer of property lying within the bounds of a State or belonging to one of its citizens. Yet the Supreme Court has held that the Congress may lay a tax upon the transfer of a decedent's property. It is argued that succession to a decedent's lands, goods, and chattels is a privilege, and that the Congress may tax this privilege and make the enjoyment of the right dependent upon the payment of the tax.

As a matter of law, it seems, as the decisions now stand, that it is immaterial that this privilege proceeds entirely from the State and could not be exercised unless the State had granted it. As a matter of comity, however, and in the interest of cordial feeling between the branches of our dual form of government, it is of the first importance that Congress should refrain from laying burdens upon a purely State institution, and not meddle with it save when driven by necessity.

This has been the policy of the National Government in past times; for the power to tax inheritances has been exercised sparingly, and only when there was a pressing need for revenue, as in war times, or in the lean years following a war. The act of September, 1916, was passed when the World War was being waged, and at a time when statesmen of vision foresaw that our country was slowly but surely being drawn into the vortex.

The time has come when the National Government should repeal the estate tax and lift the burden of taxation from the privilege of inheritance, which is peculiarly a domestic institution and creature of the States.

The proponents of the present measure admit that it is no longer necessary for the Congress to tax inheritances in order to obtain needed revenue, and this is apparent in the reductions made in the rates of the income tax. It is still further emphasized by the provision allowing 80 per cent of the tax to be credited where that amount is paid to the State in death taxes. The occasion for continuing this burden upon inheri-

tances is said to be a desire to thereby promote a uniform system of taxation among the several States.

Thus Congress is to establish a system of tutelage by means of this law, and the States are to be instructed how to regulate the exercise of the transfer privilege. Having, under the spur of necessity, invaded a field of taxation which belongs peculiarly to the States, it is proposed to hold on to it after the necessity has ceased in order that the Congress may constrain the States in the exercise of a privilege which they only have the right to confer.

If the Federal Government can collect what it chooses in the way of duty or excise from estates, it may impose a tax of 80 per cent without any exemptions on an entire estate. What would be left for the States? If it can collect 20 per cent and allow a credit of 80 per cent of that, why can it not collect 100 per cent and allow no credit? Or why can it not collect 80 per cent of the net estate and allow a credit of the entire amount?

To say this is unreasonable, I answer, the Government started with a tax of much less but increased it to a maximum of 40 per cent in 1924, and now changes again and proposes a maximum of 20 per cent. It set a precedent of allowing 25 per cent of its tax as a credit and now proposes to make the credit 80 per cent, showing the constantly changing attitude of the Congress and a remarkable example of the uniformity it seeks to promote.

It is pointed out that several of the States have no inheritance tax laws, and it is argued that it would be a fine thing to induce them to adopt measures of this kind.

Apparently no weight is given by these gentlemen to the idea that each State should be allowed to regulate its own internal policy without constraint and to adopt such laws as its own peculiar circumstances render desirable. For example, the State of Florida has no debt and possesses credit balance in its treasury of $7,000,000. To be more exact, the situation is this:

The State of Florida actually owes nothing, and has in its treasury nearly $7,000,000 in cash, but one of its departments holds $601,567 worth of its bonds, with the result that its financial statement shows it to be in debt just that much.

The bonds owned by the educational funds are refunding 3 per cent bonds, issued in 1901 and 1903 to take up 6 per cent and 7 per cent bonds of the State then maturing, which had been issued in 1871 and 1873 and which had been purchased by the educational funds prior to 1901 and 1903. Although the bonds do not mature until 1951 and 1953, the legislature of 1921 passed an act setting aside the interest on deposit of State funds collected by the State treasurer as a sinking fund for the redemption of the bonds as soon as a sufficient amount had accumulated to redeem them at par.

The act became effective July 1, 1921. The Florida bond-sinking fund now owns Florida county and municipal bonds of the par value of $400,500, and in addition thereto the fund now has a cash balance of $7,500 and in another two years should be in a position to retire the entire indebtedness of $601,567.

There is no way to retire the bonds except by paying them off. The legislature could appropriate the difference of approximately $200,000 necessary and retire them now if it were in session, but by the time it meets next, in 1927, the fund will be in a position to retire them without help. Such a State need not impose taxes which another might find it necessary to lay.

It is claimed that uniformity will be secured as the result of the provisions of paragraph (b), section 301, of the new revenue bill. By the terms of this paragraph persons liable to pay a Federal estate tax are to be allowed a credit thereon equal to 80 per cent of the amount of any State inheritance tax which they may have paid a State on the transfer of the same property.

Comparatively few are affected by the Federal estate tax, since it applies only to those estates which exceed $50,000 in value, and the tax is laid only upon the net amount of the estate in excess of $50,000. The vast majority of the people who are to pay State transfer or inheritance taxes would receive no benefit from this proposed provision of the national law.

The States impose transfer or inheritance taxes, as a rule, on estates of the value of $10,000 or less. Comparatively few of the estates subject to State taxation will amount, net, to $50,000 and more in value. Estates having a value of less than $50,000 will get no advantage from the Federal law, since they will not be subject to it. A very few will be entitled to the 80 per cent credit to be allowed by the United States on the tax payable to it, and those few would be much better served by the repeal of the estate tax.

The bill does not provide any reduction on estates of the net value below $250,000. At that point the reduction is small, and the present rates increase as the net values of estates increase. The bill as it stands reduces those increases and limits the maximum to 20 per cent.

Only a small percentage of estates in the various States will reach in net value the amount allowed as exempt under present law and under the pending bill. There would be comparatively few taxpayers on the Federal roll and entitled to credit under the provisions of this section.

A still smaller number of estates will amount to net value of $250,000, at which point this bill begins with a slight reduction, reaching to a maximum of 20 per cent. So that a small per cent of taxpayers in the several States will be affected by the repeal of the entire Federal estate tax.

Those Senators who favor the doctrine of the greatest good for the greatest number will not be inclined to give their assent to this measure because of the bait held out by paragraph (b), section 301, for that paragraph is a delusion in so far as it holds out the promise of any general good.

And those who believe in legislating in the interest of prosperity as such can much better serve that interest by voting for the repeal of the estate tax altogether. A hundred per cent exemption would be better than an 80 per cent exemption.

There is a very strong sentiment throughout the Nation in favor of repealing the Federal estate tax. Many people believe that a matter so purely domestic or local should be left entirely to the regulation of the several States. The President himself has lately expressed himself in favor of noninterference with domestic or local concerns on the part of the National Government and also made specific reference to the estate tax, heretofore quoted.

Senators who vote for the pending measure as it now reads will find it difficult to persuade the advocates of repeal that it was better to vote for a law which gives a certain measure of relief to perhaps 5 per cent of the people of their State and which leaves the matter of the transfer of estates trammelled and embarrassed by the burden of national taxation. As before remarked, the complete repeal of the estate tax will be more agreeable to the 5 per cent who will be affected by it than the partial relief which they would secure from the 80 per cent credit.

It has been claimed that the allowance of this 80 per cent credit will tend to stay the movement of capital into Florida. When it is considered how few the 80 per cent credit affects the fallacy of this idea will be apparent.

As a rule the men who are moving into Florida are not wealthy men, not men of fortune, but men of enterprise and vision who go to Florida to live in comfort and health and acquire fortune. These men are not in the $50,000 class mentioned in this bill but men who have gone to Florida with the expectation of acquiring $50,000.

It is futile to try to stem the natural progress of trade and enterprise under any circumstances, and it is absurd to hope to stem such progress in the slightest measure by the expedient contained in paragraph (b) of section 301.

The State of Florida has never had an income tax law nor an inheritance tax law. It has been the settled policy of the State from the beginning to raise its revenue in other ways. This policy has been pursued without regard to the systems of other States and without thought of its effect upon immigration. Men of wealth and enterprise had come into the State in times past and devoted their energy and fortunes to building up the prosperity of the State. Assuming that Florida's taxing policy had attracted these men, it has proven to be of great advantage to the State and to the men themselves.

It was perfectly fair and reasonable for the State of Florida to make perpetuation of her long-established taxation system secure by means of a constitutional provision and to assure those who had invested great sums of money upon the faith of it that they would in the future have the same protection from taxation as in the past. It may be that the Florida Legislature contemplated that the adoption of the constitutional amendment in 1924 forbidding the imposition of an inheritance tax and an income tax would attract nonresidents and induce them to invest their wealth in the development of the State. At any rate within the last five years millions of foreign capital have been invested in the State and an extraordinary development has resulted.

This paragraph (b) of section 301 is admittedly aimed at Florida, and it is drawn in such form as to require Florida citizens to pay larger inheritance taxes to the United States than the citizens of those States which impose inheritance taxes.

Section 8 of Article I of the Constitution provides "that all duties, imposts, and excises shall be uniform throughout the United States."

There can be no doubt that paragraph (b) of section 301 violates this constitutional provision in spirit, though it may be so artfully drawn as to escape the condemnation of the courts.

It has been repeatedly stated on the floor of Congress that its purpose is as I have stated.

Congress would be establishing a dangerous precedent in using its legislative power to coerce a particular State to change the policy of its laws. And each Member of Congress should recollect that he is also a citizen of a particular State and that the precedent established and now proposed to be emphasized and enlarged in this bill may at some time be used against his own State.

A statement of the death taxes paid in the States is furnished by the committee mentioned.

The entire amount of taxes paid in the States by the few estates not exempt will be credited on the Federal tax in many instances because it will not reach 80 per cent of the Federal tax.

These estates will pay the State tax in States other than Alabama, Florida, and Nevada, plus the Federal tax, less a credit of the State tax not exceeding 80 per cent of the Federal tax. If the State tax equals 80 per cent of the Federal tax, they will pay 20 per cent of the Federal tax more than the taxpayers in Alabama and Florida will pay. If the State tax is less than 80 per cent of the Federal tax, they will pay that and receive credit for it, and pay in addition the remainder of the Federal tax, while the taxpayer in Alabama and Florida will pay only the Federal tax. The exemptions in the States vary. The small property owner will pay the State tax, but he will not be on the Federal list, and therefore will have no Federal tax to pay upon which to receive credit.

The Federal exemption is so high that comparatively few, possibly 5 per cent, of the taxpayers will be on the Federal tax roll and receive credit in the amount of State taxes which apparently will not equal 80 per cent of the Federal tax.

The Government no longer needs the revenue derived from estate taxes.

Bearing on this point I wish to place in the RECORD a statement furnished to the chairman of the committee [Mr. SMOOT] for another purpose, but applicable here, by a most responsible gentleman, not of Florida, not of the South, but nevertheless well informed and accurate.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

The statement is as follows:

DECEMBER 16, 1925.

Hon. REED SMOOT,

Chairman Senate Finance Committee,

The Senate, Washington, D. C.

MY DEAR SENATOR: It is asserted in the newspapers that the Senate can not make any further reductions in the pending income tax act without jeopardizing the revenue.

Naturally, in matter such as this, the Congress must, to a very large extent, depend upon information received from the experts from the Treasury Department. All of us who have been in touch with income-tax legislation during the last five years know how honest, able, and conscientious these men are. Unquestionably, they aim to give the committees of both Houses correct information, but, as they should, they naturally lean toward conservatism of statement. It is perhaps largely for this reason that almost without exception their estimates of the amount of revenue to be collected under each particular revision have fallen short of actual results, with the consequence that time has demonstrated that the bills, both of 1921 and 1924, might have contained greater reductions than they actually did. Unquestionably this same thing will be true of the bill now under consideration.

In this connection, I want to bring to your attention, and that of your fellow Senators, something of what may be expected in the way of additional revenue from the South. I represented, as you know, a New York City district in the House of Representatives, and my business headquarters are now in Chicago; but now for nearly six years past I have been an officer of business enterprises of considerable size in southern Mississippi and have attained a certain degree of familiarity with southern conditions.

The present prosperity of the South is something which the North, East, and West do not at all comprehend. Illuminating instances are occurring almost daily. For instance, this week a syndicate of financiers in New Orleans bought out the old-established candy house, Huyler's, in New York City, and in the financing of enterprises located in the South the bankers of New York and Chicago find themselves called on now in practically every instance to compete with the strong banks of the Southern States. Bond issues of southern municipalities which used always to find a market in New York or Chicago now frequently find their best market and the highest price in their home cities.

The whole United States is wondering about Florida; but few realize that the situation there, although undoubtedly exaggerated by speculation, is but a symptom and a part of the general advance throughout the entire South. More than 1,200 important new manufacturing plants, with an investment of more than $400,000,000, were established in the Southern States during 1924, and the 1925 record, when complete, will be at least as good, and probably better. Material values in the South are commencing to be rated at figures corresponding to the long-neglected inherent values. The surplus energy and capital of the Nation has, to a large extent, been suddenly turned en masse to exploitation of the South. It is not rash to prophesy that with this financial assistance, which will be translated into tools, machinery, organization, science, and applied experience, the industrial harvest in the South in the next decade will be the greatest industrial wonder of the Nation, whose history abounds in industrial marvels.

Railroads give some indication of what is happening. The Atlanta, Birmingham & Atlantic Railroad several years ago went into the hands of a receiver. In 1925, in recent months, its net operating income has increased over the net operating income for the same period in 1924 a hundred per cent. Not including the limited Pocahontas region, which during the first 10 months of 1925 earned 7.33 per cent return of income, the railroads in the southern district earned 6.6 per cent, being the only one of the nine railway districts of the country earning as much as the "fair return" of 5.75 per cent fixed by the Interstate Commerce Commission under the terms of the transportation act.

The net operating income of the southern railways for the first nine months of 1925 gained about $20,000,000 over the same period of 1924. For the nine years between 1916 and 1924, both inclusive, the total increase was only about $50,000,000. In other words, the gain during the nine months of 1925 was about 500 per cent greater than the average of the preceding nine years.

Building figures usually substantially reflect prosperity. In the whole South there is no city with a million inhabitants, but in each of the years 1922, 1923, and 1924 the South spent over $750,000,000 in building, and the figures for 1925 will be close to a billion dollars.

Each year since, and commencing with 1922, the South has spent about $300,000,000 a year in new hotels alone. This enormous building progress is having its effect in appreciating real-estate valuations. From 1912 to 1922, the real property valuation of 17 Southern States (including the District of Columbia) increased 88.7 per cent, while the average for the United States as a whole was 61.5 per cent. Florida has multiplied its wealth twenty-two times over since 1880; Texas twelve times; and Virginia seven times.

In 1924 the Southern States had 1,200,000 more automobiles than the whole of the United States had in 1915. The aggregate wealth of the South to-day is four times what it was in 1900, and only $18,000,000,000 less than that of the entire Nation in 1910. Even in 1920, the capital invested in manufacturing enterprises, according to the census of that year, was almost $7,000,000,000, or two and a half times that of the whole country in 1885. The railway investment of the South increased from $2,124,000,000 in 1916 to $2,675,000,000 in 1924. These figures apply only to the South Atlantic and Gulf States—Kentucky, Arkansas, and Tennessee—and do not include Texas. Like figures for 17 Southern States, including the District of Columbia, reached $5,543,000,000 in 1922, an increase of 24 per cent in 10 years.

The South's petroleum production is now one-third of the entire output of the world. In 1923 its production of sulphur was 85 per cent of the world's production, and during the same year it produced 85 per cent of all the tobacco grown in the United States, and one-third of the world's production of tobacco. It is well known that the South is producing 60 per cent of the world's cotton, but not nearly so well known that while the truck raising and horticulture industries are still in their infancy in the South, exports of vegetables and fruits to the North already exceed 500,000 cars a year.

The deposits of Southern banks have increased from $1,700,000,000 in 1910 to $6,500,000,000 in 1923. Between 1910 and 1920 the value of Southern farms practically doubled. The amount of new life insurance written in the South in 1923 was 44 per cent of that written in the whole country as compared with 23 per cent in 1921, and the cotton textile-making spindleage of the South now equals that of the North, and the Southern cotton mills consume 60 per cent of the South's production of cotton. The South has over 100,000 square miles of coal, not very much of which has yet been developed. In connection with the development of building, the consumption of Portland cement in the South jumped from less than 15,000,000 barrels in 1914 to more than 28,000,000 barrels in 1923.

The horsepower of "prime movers" in the Southern States trebled between 1912 and 1922. The bank debits of the Atlanta Federal reserve district are 30 per cent higher than a year ago, indicating that much expansion of the general business movement in the Southeast. No other part of the country showed a comparable increase, but the Richmond district gained 20 per cent. Open-account deposits in the Atlanta district gained 35 per cent from October, 1924, to October, 1925. No other section of the country had a like increase. The value

of southern manufactures increased 37.6 per cent from 1921 to 1923. For the first 11 months of 1925 the Atlanta district bank clearings increased over a like period for 1924 20.1 per cent. The New York district was next with an increase of 14.3 per cent. In November, 1925, the increase of postal receipts over the same month of 1924 were noted as follows: Jacksonville, 52 per cent; Tampa, 44 per cent; Birmingham, 14 per cent; Chattanooga, 16 per cent; Jackson, Miss., 23 per cent; Baltimore, 30 per cent; Memphis, 17; Fort Worth, 19. For the country as a whole the gain was 13 per cent.

Southern building permits were twice as large in October, 1925, as they were in October, 1924. Twenty-six thousand miles of surfaced highways were laid down in the South in 1922 and 1923. Secretary Mellon has recently put the State of Florida in an internal-revenue collection district by itself.

The year 1919 will be remembered as the boom year immediately succeeding the war. The Federal Reserve Sixth District Bank of Atlanta has collected statistics as to building permits in its district. In the table given below, the average monthly figures for the year 1919 are represented by 100, and the current monthly index numbers show the relation of activity to that prevailing in 1919:

Building, permits sixth district	Aug., 1925	Sept., 1925	Oct., 1925	Aug., 1924	Sept., 1924	Oct., 1924
Atlanta	89.4	89.4	76.5	193.0	137.2	153.3
Birmingham	527.6	483.2	480.4	533.5	395.6	760.5
Jacksonville	503.4	575.4	670.0	326.1	138.2	163.4
Nashville	151.1	331.4	105.0	263.1	197.7	109.8
New Orleans	480.9	672.0	236.6	850.3	224.8	325.9
Other cities	894.4	516.0	1,012.8	402.6	222.1	208.9
District (20 cities)	526.6	591.2	567.7	404.5	209.5	250.7

I am not personally familiar with any part of the South except southern Mississippi and, to a certain extent, the New Orleans district. Advances in values in that part of the South have been, if anything, greater than the figures which I have given. The Florida boom has somewhat obscured the fact that there have been tremendous advances in the value of coast property all the way from Florida to New Orleans. In the four Mississippi cities with which I have any familiarity, viz, Gulfport, Hattiesburg, Meridian, and Jackson, values, especially in the business districts, have arisen tremendously. Mississippi, of course, has had two fine crops of cotton in succession, for which the prices have been at least fairly satisfactory. A great deal of the earnings up to 1925 has gone toward the extinguishment of debt; and as this debt included interest, where the debtor lived outside the South, it was not reflected in the income tax from the South, but for 1925 these debts have been greatly reduced or, at any rate, bear a much smaller relative proportion to the earnings of the South, as while many personal debts have been paid off a great deal of the new indebtedness has been incurred for productive enterprise.

I would not be surprised to see the State of Mississippi pay about twice the income tax for 1925 that it paid in 1924, and unquestionably the figures indicate that the income-tax returns from the entire South for 1925 will be greatly increased over those for 1924.

This gives especial emphasis to the almost universal demand from the South for the repeal or reduction of the capital-stock tax. There is no particular objection in the South to paying taxes on realized prosperity, but there is an objection to a tax in the nature of a Federal ad valorem tax on property not measured in any way by the return. Corporations in the South own coal, timber, lands, sugar and rice plantations, cattle ranches, and property of that character, in which the rate of return is frequently small and on which in many instances there are years in which there is not only no return but substantial loss.

There is an intelligent feeling that this country has now reached the point where it can afford to collect its Federal taxes very largely from prosperity and not by burdening losing or even inactive ventures.

The figures which I have given you are, in the main, easy to check up. I have no doubt that your attention has already been called to many of them, and possibly to some of them many times. Frankly, however, I think that these facts presented in this condensed form are highly interesting, not only to southerners but to all Americans, and I am taking pleasure in sending a copy of this letter to each of your fellow Senators.

Yours very truly,

WILLIAM S. BENNET.

(Copy to each Member of the Senate, Washington, D. C.)

Mr. FLETCHER. In view of some rather reckless allusions to Florida and her tax laws, I ask that I may be permitted to insert a few clippings—I have endeavored to select short ones—by way of addition to what Mr. Bennet has said, and also setting forth views pertinent to the matters involved.

The PRESIDING OFFICER. Without objection, the clippings will be inserted in the RECORD.

The clippings are as follows:

TAKING WHAT'S LEFT

During the past year the Federal inheritance tax has been the subject of more intensive study by a greater number of persons than during all the years of its previous existence put together. The more thoroughly it is examined the more carefully it is considered in its relationship to similar taxes imposed by the States, the less can be said in its favor and the more can be urged against it. In the past Congress has employed this tax only in war emergencies and has speedily discontinued it when the emergency was past; this time it has been loath to loose its grip on the resultant hundred millions.

The champions of the Federal inheritance tax fall into three categories: First, there are those who always favor any drastic system of taxation as long as it does not operate disagreeably in the particular financial stratum occupied by themselves and their followers. Second, there are those whose political creed teaches the beauty and reasonableness of scattering all aggregations of accumulated capital. Last, there is a group of serious thinkers, whose reasoning we can not follow, but who are apparently honestly convinced that inheritance taxes are a good thing and the more the merrier.

The taxgatherer always has the last laugh, whether he stalks the living or the dead.

FLORIDA "STANDS PAT"

Florida is given indirect but advantageous publicity in an advertisement which the Union Trust Co., of Cleveland, is running in the leading periodicals.

We haven't the slightest idea that the trust company intended that Florida should gain any benefits from its space, but it does so none the less.

The trust company ad depicts the sad plight of a widow and children left suddenly without a husband and father. Although the deceased was accounted a rich man, he left his heirs in a bad fix, because, as the ad tells us, "Inheritance taxes demanded instant cash, securities had to be sold at a loss, the executor knew nothing of his friend's business, and then came chaos."

The inheritance tax is the most offensive and inexcusable of all forms of taxation. It hits the widow and the orphan. It robs the dead and penalizes the innocent survivors.

Florida said to the world, "This unjust and offensive tax shall never be levied in Florida."

And Florida will stand true to that position and that promise, no matter how many States and how many Congresses may attempt to force her to abandon it.

PROSPERITY FOR SOUTH REVEALED—COMPARISON OF STATISTICS SHOWS BIG BUSINESS GAIN IS MADE

ATLANTA, November 9, 1925.—Prosperity in Dixie in the past two years is graphically reflected in a survey of railroad earnings and stock advances. Bank officials and other students of economics agree that the condition of railroad treasuries is one of the surest barometers to general business conditions that can be found.

In a recent comparison seven railroads serving southern territory were selected, and taking the low price of their common stock in 1923 on the one hand and the high price for the past week on the other the following figures were gathered:

	1923 low	High price last week
Southern Railway	24¾	112¼
A. C. L.	109	218
L. & N.	84¾	130¾
N. C. & St. L.	115	175
Illinois Central	99⅝	114⅝
Frisco	16¾	94¼
S. A. L.	4¾	50⅜

The upward trend also is shown in the following figures contained in official reports made to the Georgia Public Service Commission recently:

SEABOARD AIR LINE

	Aug., 1924	Aug., 1925
Operating revenues	$765,882	$979,294
Operating expenses	647,462	724,528

ATLANTIC COAST LINE

	Aug., 1924	Aug., 1925
Operating revenues	$837,963	$1,256,588
Operating expenses	772,700	969,902

SOUTHERN RAILWAY

	Sept., 1924	Sept., 1925
Operating revenues	$12,089,444	$13,411,557
Operating expenses	8,222,522	8,570,511

$20,823,730 TAX PAID—FLORIDA'S CONTRIBUTION TO UNITED STATES FOR YEAR EXCEEDS THAT FROM GEORGIA

[By Gladstone Williams, the Herald's special Washington correspondent]

WASHINGTON, D. C., December 14.—Florida paid $20,823,730.75 to Uncle Sam during the fiscal year ending June 30, 1925, the largest sum ever paid by that State, the annual report of Internal Revenue Commissioner David H. Blair disclosed here to-day.

Of this vast sum, $12,118,724.67 was collected from residents of Florida in income taxes and $8,705,006.08 in miscellaneous taxes.

The Blair report also shows that Florida paid more revenue to the Federal Government than Georgia for the first time in years.

The amount of revenue collected from Georgia during the fiscal year was $15,200,727.18.

3,843 PER CENT MADE BY UNITED STATES IN FLORIDA

[By Associated Press]

A profit of 3,843 per cent on a real estate turnover in Florida was chalked up yesterday to the credit of the War Department.

The department accepted an offer of $2,800,000 made by Nathan Friedman, of New York, for the 800 acres making up the abandoned Chapman field military reservation, near Miami. During the war the tract was purchased by the Government for $71,000.

[From the Mobile Register]

AN ATTACK ON FLORIDA

Chairman GREEN, of the House Ways and Means Committee, made an unjust attack on Florida in the debate on the Federal inheritance tax, declaring that the people of Florida, who have abolished the inheritance tax by constitutional amendment, can never "make a really big State through colonies of tax dodgers and money grabbers, parasites and coupon cutters, jazz trippers and booze hunters."

This outburst of temper reveals Mr. GREEN as playing not the rôle of constructive statesmanship but as striking out at anything he thinks he can hit. The State of Florida looked like a target for his anger, so he proceeded to call the people of that State hard names because they exercised the right of amending their State constitution. Nor is the classification Mr. GREEN applies to the new residents of Florida warranted by fact. Business and financial leaders of the United States who have invested large sums of money in Florida and purpose to invest more there will not pay much attention to such a tirade as Mr. GREEN has directed at them, but residents of Florida may well resent the imputation that their State is now a happy hunting ground for undesirables.

Florida is encountering the usual fate of communities that suddenly become prosperous. The jealousy and envy of other sections of the country are aroused and efforts are made to belittle the community that is progressing. Mr. GREEN voiced in Congress the sort of propaganda that is circulated through the North, East, and far West for the purpose of injuring Florida. Alabama, however, is not jealous of Florida, believing that the South should rejoice in the prosperity of a sister State. As for State taxation, that is a question Floridians are quite competent to solve for themselves, and it is no business of even so influential a person as the chairman of the House Ways and Means Committee.

[From the Tampa Telegraph]

OHIO LEADS THE WAY

Florida has friends throughout the country that are battling magnificently against the schemes of those who would add heavier burdens on the people and who have been conniving to nullify Florida's master stroke in the elimination of income and inheritance taxes, and these friends of Florida are doing more for this State than the State is doing for itself, to its shame be it said.

One of the more recent exposures of the schemers comes from C. L. Knight, the able editor of the Beacon Journal, of Akron, Ohio, who stands out a true friend of Florida at all times. Mr. Knight in his editorial handles the inheritance-tax provision of the congressional tax bill without gloves in the following manner:

"The tax bill which will be presented to Congress this week is in many ways an admirable measure, but it contains one provision which should never be allowed to become the law of the land. We refer, of course, to the inheritance-tax provision. This provision of the bill is for a Federal inheritance tax of 20 per cent levied upon the estates of decedents throughout the United States.

"Where a State levies an inheritance tax the Government rebates to the State 80 per cent of the Federal impost, retaining for its own use only 4 per cent of the amount plundered from the dead man.

"That, of course, will not sound so well to the shining band of perennial uplifters who would like to get 80 per cent of the estate and spend it in welfaring everybody into the Kingdom of Heaven. It will sound better to those sincere people who having been inoculated with the idea of state socialism are now gradually recovering from the disease up to the point that there are evidences of returning sanity. It will be hard for this class to get well all at once, and consequently we may expect them to point with pride to this bill as some evidence that they are getting better.

However, as a matter of fact, a more vicious measure has seldom found its way into Congress. In the first place, unless Congress is willing to commit itself to the principle of making capital levies in time of peace, a Federal inheritance tax should have no place in Federal statutes. That it is a capital levy can not be disputed. It goes beyond even the vicious practice of taking away so much of one's earnings that he would be better off to quit earning at all and invest his capital in tax-exempt securities. Here the dead man is followed beyond the grave and his estate is plundered from his widow and children to pay the running expenses of the Government. Such action attacks every sound principle of taxation unless we are willing to admit that the Government owns the citizen and may, after his death, do what it pleases with the property which he has accumulated by his industry, either for the care of those dependent upon him or for other purposes, which it is the right of every citizen and not the Government to decide. No such governmental function and no such ideas of spoliation by taxation were ever allowed in times of peace in this country until we began to express our abhorrence of autocracy and bureaucracy by adopting them. Indeed there is no sound reason in existence why an inheritance tax ever should be allowed in a State, much less in the Federal Government.

But this is not the worst thing about this vicious proposal. In the first place it seeks to, and will if adopted, compel every State not only to adopt an inheritance tax, but to model it exactly, as the Federal Government says it should be modeled. In other words, the Federal Government again injects its power into the States and arbitrarily tells them what they must do with the estate of their own citizens.

If a State has fallen a victim to the fallacy that it should adopt a capital levy, as most of them have, they nevertheless have had some sense of decency about it; that is to say, they have adopted a graduated tax which does not bear as heavily upon those whom duty compelled the decedent to support as upon distant relations or strangers. In some of the States this tax is now only 1 per cent upon an estate going to the widow or the children. Here in Ohio the State tax is 4 per cent when the widow and children get the property. Under this provision it must be raised to 16 per cent at least. However, this Federal proposal changes all that. It levies a straight duty of 20 per cent without any regard to the rights and equities of the widow and the orphan, and the magnanimous rebate goes not to them, but to the State government. In other words, it will compel the States, whether they wish it or not, to abolish their tax of 1 or 2 or 3 per cent upon the portion of the property going to the widow and the children and to impose one of at least 16 to 20 per cent. Possibly Congress, in its aptitude for that kind of thing, could evolve something worse, but it would be a hard matter to do it.

It will now be interesting to see what our Ohio delegation is going to do about it. We will watch with more than ordinary interest to see whether they are going to vote for another provision to extend and tighten Federal control over the States; whether they are going to again subscribe to the doctrines of State socialism that are all too rapidly ironing us into the shapeless pulp of mere subjects of a federal empire; that is, adopting the fine old ideas of Bismarck and the Hohenzollerns that the subjects exist for the use of the State. The Beacon Journal is particularly interested in BURTON and BRAND and it is hoping that these two men in the Ohio delegation will lead a fight to strike out entirely this provision in the new revenue bill.

That exactly such a course should be followed can not be successfully disputed by any person who understands the fundamental principles of taxation, and we would like to see Ohio lead the way back toward sound fundamentals.

[From the Tampa Morning Tribune, November 21, 1925]

A TAX FOR ENVY

Nothing could be more ridiculous, and yet dangerous, than the plea of certain frenzied politicians for the Federal Government to levy an inheritance tax, while admitting that the Federal Government does not need the revenue of such a tax, their sole reason being jealousy because Florida and Alabama have no State death taxes.

The movement may succeed through apathy of the press and the people's representatives, although such a capital levy is branded as legalized robbery by President Coolidge and its repeal is urged by Sec-

retary Mellon, the American Bankers' Association, the United States Chamber of Commerce, and practically all other such national leaders and organizations.

Again the Tribune asks if every one of Florida's Senators and Representatives is now fighting that tax actively. Act on the statement of Senator UNDERWOOD, of Alabama, that taxes should stop at the grave.

The Montgomery Advertiser is fully awake to the menace of the envious demagogues who would compel Florida and Alabama to levy needless and harmful taxes through the medium of Federal rebate to States having such taxes. The Alabama paper quotes the powerful arraignment of Col. Peter O. Knight as published in the Tribune some days ago, in which he said, "The legislation proposed by GREEN and GARNER is vicious, unjustifiable, and indefensible from any standpoint." Read the Advertiser's opinion:

"American papers are shocked when French politicians threaten a capital levy in France, but most of them seem indifferent to our own capital levy menace in Washington. The Federal inheritance tax now on the statute books is a capital levy.

"This Federal inheritance tax not only is capital levy applied to a country that is not in distress, but is a menace to the principle of local self-government and human liberty.

"Our ablest thinkers on economic and political questions generally advocate the repeal of this law, but there is determined opposition to repeal, and it is certain that the Ways and Means Committee of the House, now in session, will report to Congress that it is opposed to repeal.

"The Federal inheritance tax law at the moment is of peculiar interest to Florida and Alabama, as we have repeatedly pointed out. The new excuse of the politicians for continuance of the policy of levying upon the property of the people is that if Congress doesn't collect death taxes, the State won't either! They point to Florida and Alabama as horrible examples of what undisciplined States will do if not watched. They say something must be done, not by the people of Alabama and Florida, but by the politicians in Congress, to compel Alabama and Florida to enact tax laws that conform to the theories and desires of Federal politicians!

"What impudence! What a travesty upon political economy! What a commentary upon the principle of liberty and State sovereignty!"

Opponents of the repeal brazenly boast that their only purpose in supporting the tax is to force equal misfortune upon these two Southern States which by foresight and intelligence are not so heavily tax ridden.

It behooves the papers of Florida to give the matter publicity. It is a dangerous precedent menacing all other sovereign States. And especially it is the duty of our delegation in Congress to defend the rights of the State.

WHAT'S RIGHT WITH FLORIDA

"What's right with Florida" is the sensible and pleasing way the Christian Science Monitor heads its front-page article of November 13. It is the first of six such descriptions prepared for the Monitor by Rufus Steele, author of the series, "What's right with the movies." It is in decided contrast with articles by certain other writers who have dealt almost exclusively with what's wrong with Florida.

Besides this article, and besides favorable comment on the editorial page, the Monitor published a 20-page supplement on "Florida and her place in the sun," with many illustrations.

This international daily newspaper published at Boston, while published by a religious denomination, is still a newspaper, carrying the news of general interest, and enjoys a widespread circulation. Its nature guarantees that it is free from exaggeration of Florida. The truth is good enough.

[From the Miami Tribune]

COERCING FLORIDA

At the recent annual conference of the National Tax Association held in New Orleans the past week very important tax measures were discussed. This is the eighteenth annual conference of the National Tax Association of State Tax Officials, Economists, and Experts. Florida, although not represented officially, was in the minds and on the lips of everyone present.

The great bulk of the States represented felt no jealousy of Florida's progress because of what is generally considered as her bid for settlers of great wealth through elimination by constitutional amendment of inheritance and income taxes. There were some States where the feeling existed that action should be taken to circumvent this boon that Florida was offering to the rich men of the North in the saving of death duties as well as taxation of income during life.

What seems to amount almost to a conspiracy is reported to be found in the records of the hearings before the subcommittee of the Ways and Means Committee of the House of Representatives and the Finance Committee of the Senate. Apparently there is a strong organized clique who have convinced themselves that the most practical way to offset Florida's attraction in the way of absence of inheritance tax is to embody in the proposed revenue act a provision which will permit a credit against Federal inheritance tax of all State inheritance taxes paid by a decedent's estate up to 80 per cent of the amount of the Federal inheritance tax.

This means that if Mr. A died domiciled in New York, for example, and New York imposed upon his estate a tax of $100,000 and the Federal inheritance tax upon his estate amount to $100,000, by the use of this credit the total tax imposed upon the estate would amount to no more than $120,000. The full amount of the State tax would be paid, but by the proposed legislation a credit would be allowed for it in computing the Federal inheritance tax up to 80 per cent of such tax, the net amount thus collected by the Federal Government being but $20,000.

If Mr. A had, however, been domiciled in Florida his estate would not be subject to a State inheritance tax, but would nevertheless be subject to the Federal inheritance tax. His executor would be obliged to pay the Federal Government $100,000 in full, there being no allowance to the Florida decedent of any credit, and his total tax would be $100,000, as against $120,000 to the New York resident. Thus the Federal Government, through the proposed legislation of Congress, practically says to those States having the inheritance tax, "We will give up 80 per cent of the tax that we ought to collect because you are a good State and impose inheritance taxes upon your decedent's estate, but as to Florida (and, incidentally, Alabama, Nevada, and the District of Columbia), you are bad children. You have no inheritance tax, although you ought to have, and your decedents must pay the full Federal inheritance tax without deduction."

This proposed legislation is being recommended only by a few aggressive, narrow-minded competitors of Florida, and unless Florida takes equally aggressive action to combat such influence unreasonable and unfair advantage may be taken of those persons who are domiciled and die in Florida. Massachusetts, for instance, through its elimination of taxation on incorporations, came out very strongly against any Federal tax whatsoever, and many other States spoke equally strongly for the complete repeal of all Federal inheritance taxes.

The splendid report of the subcommittee on inheritance taxation at the conference at New Orleans seems to recognize the fact that the Federal inheritance tax is uneconomic and made unnecessary because the revenues of the Federal Government run to a large excess above expenditures. The report, however, recognized the fact that political conditions were such that Congress could not at its next session entirely eliminate the Federal inheritance tax, and the committee therefore recommended that the new revenue act provide for the complete elimination of the Federal tax at the end of six years.

This holds out some hope for Florida, as eventually the elimination of the Federal inheritance tax will enable a Florida resident to pass on his property at death to his heirs without deduction of any tax whatsoever unless he owned property having its situs in States where inheritance tax is imposed.

Many articles have appeared in magazines, and tax officials throughout the country have declared that the State inheritance tax is easily collected and necessary to meet the current expenses of every State, and that any State that attempts to get along without it will be sorry and have to reenact such legislation. The fact, however, seems to be overlooked that a State such as New York has a funded debt amounting to many hundreds of millions of dollars, interest on which must be met, as well as payments to the sinking fund for its retirement. Florida to-day has no funded debt and it would be many, many years before it would be in a serious situation in this regard. Whether or not wealthy citizens in northern States are removing to Florida because of Florida's absence of inheritance tax laws seems to be a debatable question, but Florida is taking an economically sound position when it declares against inheritance taxation which is recognized as a measure destructive of accumulated wealth, the State using the principal for current needs. It strikes the average man's family and business at a time when he can not protect them and they are not in a position to protect themselves and often imposes severe hardship. This is particularly true where the entire fortune is invested in one line of business, which in one blow loses its executive head and is stripped of a large portion of its capital.

[From the Miami Herald, November 23, 1925]

COERCING FLORIDA

While there are many things in the proposed Federal revenue bill that will please the people in the way of reduction of taxes, one feature of it will create considerable discussion, and that is the proposal to retain the Federal inheritance tax.

That measure was primarily an emergency scheme to tide over the Treasury at a time when the drain upon the Nation's finances was extremely heavy.

The defect in the principle of national inheritance taxes is that it is not laid upon the income of property owners but upon the property itself after the death of the owner. It is a capital tax, which takes away from the actual earnings of the owner and is not placed upon the income from the property, as it should be.

In essence it is a program of taking away from the well-to-do for the benefit of others, a socialistic principle, totally at variance with the genius of this country.

Another defect—two of them, in fact—is that the country does not need the money and that if inheritance taxes are to be imposed it should be done by the State governments to supply needed funds and not by the Federal Government.

But there is another side to the present discussion, and that is that the proposal to retain the inheritance tax in the forthcoming bill is not inspired by the desire to protect the National Treasury. It is actually a conspiracy in some quarters to compel certain States to impose the tax.

It will be remembered that Florida has, by constitutional amendment, prohibited the legislature from imposing any inheritance tax. Alabama is the only other State that prohibits such taxes.

It is to be conceded that when Florida's action became known many wealthy men of other States transferred their residence to Florida for the purpose of being able to dispose of their estates as they thought fit without paying heavy tribute to the States in which they formerly resided. This action has been resented by other States and this movement to retain the Federal inheritance tax is the result.

A compromise has been reached in the committees, at least, by which those opposed to any inheritance tax and those who desire such a tax, by which the Federal Government, so it is proposed, will return to the States the amount of inheritance taxes imposed by the States, up to 80 per cent of the amount imposed by the Government.

In other words, the resident of Florida will have to pay, if this bill becomes a law, the full Federal inheritance taxes, whereas such States as have already imposed an inheritance tax will have that tax paid into the State treasury by the Federal Government, or, at least, 80 per cent of the sums paid to the National Treasury.

This is purely a measure to compel Alabama and Florida to impose an inheritance tax, although neither State needs the money, and to forego the advantage inuring to these States from the fact that they have declined to impose a tax upon capital.

Every intelligent citizen of Florida and of Alabama ought to protest against the passage of this bill so far as it relates to inheritance taxes.

DEATH TAXES

Those who have considered the matter say that if Henry Ford were to die the "death taxes" which the Government would levy upon his estate would total the tremendous sum of $500,000,000. While the treasuries of the Nation and the States would benefit to the extent of half a billion, the Ford interests would be hamstrung by such a levy.

Going further, the sharps point out that if Mrs. Ford were to inherit the Ford millions and die soon after her husband, "death taxes" would again reduce the estate by hundreds of millions, and if the son, Edsel, were to inherit from his mother and die the "death taxes" would again reduce the estate by more hundreds of millions.

What would be the result?

The Ford works would be crippled by the levies. The workers in the Ford enterprises would be out of jobs. The great industry would decay, and the vast business which has grown from furnishing automobiles at a low price would cease to provide extra cheap motor-car transportation for the world.

It is no answer to the foregoing deductions to say that they are all contingent upon the unlikely circumstances of the death of the three members of the Ford family in the near future. That the law has set the stage for such a disturbing and destructive drama as outlined proves, not the wisdom of the lawmakers who brought the statute into existence, but the great harm that may result to an important unit in the industrial life of the country under circumstances not only conceivable but quite possible.

The fact that the Ford Co. has grown to be worth a billion and a half dollars and the further fact that it belongs to three people all closely related are not in logic good reasons why the deaths of the three should legalize the acts of State and National Governments in confiscating that property.

No good public policy is furthered by a law which might operate to wipe out great industries employing many thousands of people and furnishing at a very low price standard products demanded the world over.

The inheritance taxes appear to have been thought of by people with minds attuned to the belief that when a man is dead what he has accumulated in his lifetime belongs to somebody besides his legal heirs, who are entitled to it in equity.

Mr. FLETCHER. I can not escape some measure of indignation the more I think about the estate-tax provisions in this bill, nor can I escape a feeling that seriously questions their validity, if tested.

The purpose is to force Florida—omitting reference to other States—into line with a policy Congress devises with respect to her own domestic affairs. The effort is to oblige Florida to shape her sovereign rights with respect to her tax laws to conform with the plans and views of certain Members of Congress. The method of making effective this coercion is through the taxing power of the Federal Government, and this estate-tax provision is designed to accomplish that end. This, in fact, is the sole basis and reason for the estate-tax provision.

It infringes on the implied powers reserved to the States.

It is in direct conflict with and repugnant to those State rights and powers.

Note the strong language by the Supreme Court in The Collector *v.* Day (11 Wall. 122 et seq.), as follows:

> The case presents the question whether or not it is competent for Congress, under the Constitution of the United States, to impose a tax upon the salary of a judicial officer of a State.
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> In Dobbins *v.* The Commissioners of Erie County (16 Pefers, 435) it was decided that it was not competent for the legislature of a State to levy a tax upon the salary or emoluments of an officer of the United States. The decision was placed mainly upon the ground that the officer was a means or instrumentality employed for carrying into effect some of the legitimate powers of the Government which could not be interfered with by taxation or otherwise by the States, and that the salary or compensation for the service of the officer was inseparably connected with the office; that if the officer, as such, was exempt, the salary assigned for his support or maintenance while holding the office was also, for like reasons, equally exempt.
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> * * * Such being the separate and independent condition of the States in our complex system, as recognized by the Constitution, and the existence of which is so indispensable that without them the general government itself would disappear from the family of nations, it would seem to follow as a reasonable if not a necessary consequence, that the means and instrumentalities employed for carrying on the operations of their governments, for preserving their existence, and fulfilling the high and responsible duties assigned to them in the Constitution should be left free and unimpaired, should not be liable to be crippled, much less defeated, by the taxing power of another government, which power acknowledges no limits but the will of the legislative body imposing the tax. And more especially those means and instrumentalities which are the creation of their sovereign and reserved rights, one of which is the establishment of the judicial department and the appointment of officers to administer their laws.
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> * * * And if the means and instrumentalities employed by that Government to carry into operation the powers granted to it are, necessarily and for the sake of self-preservation, exempt from taxation by the States, why are not those of the States depending upon their reserved powers for like reasons equally exempt from Federal taxation? Their unimpaired existence in the one case is as essential as in the other. It is admitted that there is no express provision in the Constitution that prohibits the General Government from taxing the means and instrumentalities of the States, nor is there any prohibiting the States from taxing the means and instrumentalities of that Government. In both cases the exemption rests upon necessary implication, and is upheld by the great law of self-preservation; as any government whose means employed in conducting its operations, if subject to the control of another and distinct government, can exist only at the mercy of that government. Of what avail are these means if another power may tax them at discretion?
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> * * * * * * *

I venture further to say in this connection that various communities in various States have felt the withdrawal of funds from banks, the movement of their people to Florida in contemplation of new investments and establishing new homes in that favored land, and have set about to discourage such occurrences, resorting to misrepresentations regarding conditions in Florida. Their feeling is quite natural, and I cherish no bitterness toward them. They will not accomplish their purpose. They are short-sighted, really, as shown by an article from a disinterested and capable source, Mr. Mercer P. Mosley, a banker of New York, which I ask to have inserted in the RECORD.

The PRESIDING OFFICER. Without objection the matter referred to will be inserted in the RECORD.

The article is as follows:

THE FLORIDA DOLLAR

(By Mercer P. Mosley, vice president of the American Exchange-Pacific National Bank, New York)

A great deal of propaganda antagonistic to Florida has appeared in the public prints, and much of the same character of statement is emanating from those who may or may not have ulterior motives in its dissemination.

This propaganda takes the form of advice to those who contemplate going to Florida to live and those who contemplate making investments in real estate and other business in Florida.

It may be fairly said that the most damaging statements about Florida arise from some banks which have felt the effect of the withdrawal of deposits for the purpose of investment in Florida. Very naturally a banker does not look with any degree of pleasure upon the loss of deposits, but it is difficult to understand an antagonism which does not find its basis in fact. Further, it is unlikely that if substantial and dependable bankers knew the facts they would willingly utter unsought, unfair, and unreliable advice. Florida is pictured by her enemies as a maelstrom of wild speculation which will end in disaster. The word "speculation" is stressed.

What are the facts?

First. Florida hasn't a corner on speculation. That more or less speculation is indulged in is not to be denied, but time alone will prove the contention that a purchase to-day will ultimately be classified as a poor purchase or a good purchase.

Perhaps the greatest speculation of all time in the history of Florida was staged when Mr. Flagler visioned its possibilities, risked his money and his reputation by purchasing the rails of the Florida East Coast Railroad into what was then a vast tropical wilderness. Even his closest friends, and certainly the bankers of the country, shook their heads with the wisdom of a sage and ticketed this venture of Mr. Flagler's as the wildest sort of speculation. Time has magnificently justified Mr. Flagler's judgment; and who possesses the prevision to say that time will not justify in an equally more moderate or even greater degree the "speculative" purchases of Florida real estate at this time?

Of course, every man who goes to Florida is not a wise man, nor is every man who remains at his present home, wherever that may be, a wise man. Some of them do foolish things, and there is no rule of thumb by which their bad judgment may be automatically translated into good judgment.

But, by and large, the great majority of people who are coming to Florida and who invest money in Florida possess an average of good judgment, and self-appointed mentors need have no apprehension as to the average profits they will make.

This antagonism to Florida takes on a peculiar form. Those few bankers and business men in the North, East, and West who advise against having anything to do with Florida have unctuously adopted the conclusion that a dollar withdrawn from their local banks and invested in Florida is a lost dollar; that when that dollar, in its flight from their home town, crosses the border at Jacksonville into Florida the gate is closed, and no hope of return of that dollar need be expected.

What a faulty analysis this is! A banker and a business man ought to know better.

The truth is that Florida—the last new country in the United States—a State larger than any other east of the Mississippi River, with the single exception of Georgia, is building on her broad acres a new empire. This takes the form of towns, cities, up-to-date transportation, excellent roads, splendid public utilities, and all that is involved in intelligent, well-balanced progress. To finance this achievement, money is necessary.

From whom does it come?

It has come and is coming from every section of the United States and from the pockets of those who have vision to see and faith to believe that the actualities and potentialities of this great State warrant them in the investments or the "speculations" in which they indulge.

What happens to money spent in Florida enterprises?

In the first place, much of it never gets to Florida. This for the simple reason that John Jones, living in Boston, may have a piece of property in Miami, or somewhere else in Florida, which William Smith, living in Chicago, purchases. The details of the transaction may be handled through a Florida office, but the actual transfer of money is from Chicago to Boston.

Second, the money that goes to Florida direct, first finds lodgment as a deposit in some of the Florida banks. These banks, in turn, maintain accounts in the large centers like New York, Chicago, Boston, Philadelphia, and St. Louis. They send their idle funds to these points for employment, and in turn, New York, for instance, may be lending the balances of a Florida bank to a manufacturer of steel in Youngstown, Ohio.

So much for this explanation.

Now, let us get down to a closer analysis of the Florida dollar. You can't build cities, towns, public utilities, a new empire out of popcorn balls and chewing gum. It requires workmen, steel, concrete, hardware, bathtubs, machinery, railroads, and everything else that is required to erect sound and satisfactory construction in the home towns of the bankers and others who supinely decry Florida.

And remember Florida does not manufacture these things. She has to buy them, and while an antagonistic banker may be giving advice to one of his depositors going to Florida, Miami, for instance, may have an order placed with a steel manufacturer in this banker's home town for large amounts of steel plates, and very likely the workman, whom the banker is advising against going to Florida, is employed in that very same steel mill.

You are reading every day about the embargo on the railroads and steamship lines running into Florida. This embargo is due to the fact that Florida's needs in the way of building material, machinery, etc., are so great as to tax beyond capacity all of the railroads and steamship lines entering the State and her ports.

Remember the embargo is on goods going in and not coming out.

What does this mean?

Certainly, it can mean but one thing, and is that while the dollars from other sections of the country are temporarily lodged in Florida, they are sent by the millions out of the State to purchase the things with which this new empire is being created. And thus Florida is contributing in a splendid and large manner to the industrial and financial progress of the Nation.

So, when your banker, or your wise friend, advises you that Florida is a place to shun and tells you that a dollar invested in Florida is a dollar lost to the Nation, just ask him to explain to you why a dollar that goes to Florida is different from any other dollar that seeks profitable employment in other sections. Further, ask him if he has been to Florida, and if he says "No," tell him frankly that he is not qualified to give you advice on that subject. Ask him if he knows the actualities and the potentialities of the great State of Florida, ask him to tell you the tonnage cleared through her ports of call. Ask him about her cattle industry, about her phosphate deposits; ask him if he knows that she ranks first in the shipment of pine lumber. Get him to give you the figures involved in her commercial fish industry, invite him to tell you of her citrus crop and its ramifications and growth. Ask him if he has knowledge of her bulb industry, not forgetting the total income from her melon crop, garden truck, flowers, celery, strawberries, and literally dozens of other things.

Ask if he knows that the farmer from the cold Middle West and Northwest, who, because of climate, is limited to five or six months in the year of actual farm operation, is translating his high-priced acreage into more acres of equally as good farming land in Florida and is therefore minus his large coal bill, and minus his yet larger feed bill for his cattle in the winter time, and is plus an opportunity to grow two or three crops instead of one. Ask him further if he appreciates the fact that when this farmer is growing his winter crops in Florida the things that he is producing are "out of season" in 46 other States, and therefore command the highest market prices.

Tell him not to undervalue Florida sunshine. Say to him that a manufacturer runs his plant because he can sell his product at a profit, and that the merchant stocks his shelves with goods for identically the same reason. Tell him that for purposes of His own, Providence has seemed to give to Florida a patent in perpetuity on sunshine in the winter time. Tell him that the evidence of the past 25 years is conclusive that more and more people from all over the American continent really want that sunshine in the winter time. Tell him that they are actually buying it and paying for it, and that this sunshine is salable exactly as the goods of the manufacturer and the merchant are salable, and that therefore Florida sunshine has just as much of a real asset value as have diamonds on the shelves of Tiffany & Co.

Mr. FLETCHER. The statement of internal-revenue receipts by the Treasury Department, page 502 of report of Secretary of the Treasury, shows Florida paid for 1925, $20,823,730.75, as against $15,819,827.98 for 1924, an increase of 32 per cent, being a greater increase than from any other State. In fact, there was a decrease in all the other States except North Carolina, and her increase was only 6 per cent. A statement from the collector of the income taxes for the calendar years 1924 and 1925 I ask to insert in the RECORD.

Allow me to add some other relevant statements contained in these articles which I ask to insert in the RECORD without reading.

The PRESIDING OFFICER. Without objection, the matters referred to will be inserted in the RECORD.

The statements are as follows:

TREASURY DEPARTMENT,
INTERNAL REVENUE SERVICE,
Jacksonville, Fla., December 30, 1925.

Hon. D. U. FLETCHER,
United States Senate, Washington, D. C.

DEAR SENATOR: Replying to your favor of December 24, I am inclosing herewith a comparative statement of income taxes for Florida for the years 1924 and 1925. This statement is for the calendar year and not the fiscal, and shows an increase of $7,869,585.09, or a gain of 87 per cent. This in a measure reflects the prosperity that is now being enjoyed in Florida.

With best wishes for a happy New Year, I am,

Yours very truly, PETER H. MILLER, *Collector.*

Comparative statement of 1925 with 1924 income-tax collections for Florida

	1924	1925	Increase
First quarter	$2,637,770.07	$4,196,771.00	$1,559,000.93
Second quarter	2,411,766.70	4,150,764.93	1,738,998.23
Third quarter	1,887,026.11	4,133,563.81	2,246,537.70
Fourth quarter	1,884,162.63	4,209,010.86	2,324,848.23
Total	8,820,725.51	16,690,110.60	7,869,585.09

BUILDERS RUN STATE VOLUME TO HIGH MARK—PERMITS REVEAL YEAR'S TOTAL WILL REACH $300,000,000—MANY CONSTRUCTION PROGRAMS ARE NOT INCLUDED IN OFFICIAL RECORDS

Building construction in Florida for 1925, as recorded by building permits issued, will be in the neighborhood of $300,000,000, according to preliminary survey completed by Southern Construction Magazine.

Nineteen cities reporting permits issued for the last 11 months show a total of $211,921,744. As figures were obtainable from only 19 cities, and as this amount does not take into consideration projects in many communities where a building permit is not required, the total estimated by Southern Construction Magazine of approximately $300,000,000 for the State, 1925, may be regarded as conservative.

Included in this figure are construction projects only such as hotels, apartment buildings, office and store buildings, industrial and other plants, and residences. It does not take into consideration many hundreds of millions of dollars spent for development work throughout the State, private and municipal improvements, and construction work of a similar nature of which no official records are kept, excepting incorporated municipalities, but which in their creation impress by their thoroughness and magnitude.

TOTAL WILL REACH $600,000,000

Taking for example such unincorporated developments as Miami Shores, Atlantic Shores, Daytona Shores, and the amounts spent by each for improvements during the past year, and including also county and municipal improvements, another $300,000,000, conservatively estimated, may be added, bringing the total amount spent in Florida during 1925 for all types of construction and improvement work to more than $600,000,000.

This may be regarded as a national record, taking into consideration the population and the comparative newness of the State as an industrial and commercially active commonwealth.

In the building total of $211,921,744, as reported for 11 months of this year, Miami, with $52,663,397, is far in the lead and has a total not only twice as large as its nearest competitor, but furnishes more than one-fourth of the total for the entire State.

St. Petersburg, Tampa, and Coral Gables come second, third, and fourth, in the order named.

RECORD OF PERMITS

The following are the figures of the whole year and for November:

Miami	$52,663,397
St. Petersburg	21,803,000
Tampa	20,451,286
Coral Gables	18,828,365
Miami Beach	16,624,582
West Palm Beach	16,621,055
Jacksonville	12,176,331
Hollywood	9,073,407
Lakeland	7,650,520
Orlando	7,217,018
Fort Lauderdale	5,891,012
Clearwater	4,866,476
Sarasota	4,540,082
Bradenton	4,410,670
Daytona	2,385,950
Sebring	1,822,415
St. Augustine	1,816,939
Sanford	1,599,842
Vero Beach	1,150,910
Total	211,921,744

November total

Miami	$5,498,399
Coral Gables	3,155,000
St. Petersburg	2,470,300
Jacksonville	2,165,213
Tampa	1,659,002
Lakeland	1,107,705
West Palm Beach	924,653
Orlando	919,190
Miami Beach	868,975
Hollywood	779,400
Fort Lauderdale	604,750
Clearwater	570,750
Sebring	345,000
St. Augustine	321,515
Winter Park	307,000
Daytona	300,200
Haines City	275,163
Melbourne	225,000
Sanford	208,355
Gainesville	205,013
Boynton	201,300
Sarasota	197,600
Bradenton	184,310
Lake City	$156,000
Fort Pierce	149,950
Okeechobee	125,100
Pensacola	112,520
Key West	70,000
Vero Beach	53,075
Tallahassee	32,100
Homestead	25,000
Total	24,216,540

[From the Florida Times-Union, October 25, 1925]

FLOCKING TO FLORIDA

Railroads and highways leading into Florida present busy scenes these days. On both the incoming tide of travel is exceedingly heavy, all because of the anxiety of tens of thousands of people to get to this State of opportunity and prosperity. The Chicago Tribune has had a special writer in this State for some time gathering facts for enlightening the army of Tribune readers, hundreds of thousands of whom want to know about Florida.

This special writer, in an article written from Lake City and published in the Tribune on October 19, said that "the trek to Florida continues unabated, and the Dixie Highway, from the Soo on the Canadian boundary down to Miami, and all the other trails are swarming with travel. He went on to say that by actual count cars from other States were passing through Lake City "at the rate of two a minute"; that "they averaged at least three passengers to the car," which "would indicate a flow of perhaps 4,000 to 5,000 outsiders a day moving South through this crossroads alone." Suggesting that the estimate be cut in half, this writer says that the figures "still show a tremendous surge" of expectant people coming into Florida right now, and the rush has not yet commenced.

This Chicago Tribune correspondent remarks incidentally that "the outside world is no longer sad and dreary to folks down on the Suwannee River"; that everybody is busy because of the enormous amount of travel. He continues:

"The travel estimates sound foolish, but men here who have kept check declare they are far too conservative. This is only one crossroads gate; in addition is the travel by rail and sea and the crowds coming by automobile through other gateways, especially Jacksonville. Many are going back. But for every returning car there seems to be 10 or 15 pointed south. That is about the proportion noted by this expedition during the last week on the Dixie trail. All told, what with those who come for sightseeing and those who come to settle, the expectations are that travel into Florida for the year will range somewhere around the million mark and set a new mark in travel movements. This in a State which in 1920 had less than a million population."

Yes, "the travel estimates sound foolish"; they probably wouldn't be believed if told to outsiders by Florida people. But the estimates above referred to are made by a keen outsider, who came to Florida to get facts and not guesses or wild statements. Even his own newspaper, although it desires to be entirely fair to Florida, is unable to appreciate what is taking place in this State, and what has led up to the present unprecedented prosperity. For instance, several days after the correspondence above referred to appeared on the first page of the Tribune editorial reference was made to Florida land buying, and the writer, who, presumably, has not kept up with what has been going on in Florida for some years past, refers to "Florida's boom" as "but a skyrocket example of the more conservative upward surge that is being felt in nearly all sections."

Why, bless his dear heart, doesn't the writer of the above-quoted words know that for some years past Florida has been building up, conservatively and surely, to this very condition that now exists—call it boom, if you please, but it's no more like a skyrocket than is the beautiful and substantial tower in which the Chicago Tribune has its home and from which it issues day after day with all the assurance of so continuing indefinitely.

Arthur Evans, who is "covering" Florida for the Tribune, can tell his superiors that there is nothing skyrockety about Florida—he has seen, he has studied the situation and the conditions, and he knows. But be that as it may, tens of thousands of people are flocking to Florida, to be followed a little later by hundreds of thousands—and mighty few of them will be disappointed. It is safe to say that none of the sanest of them will see any skyrockets in Florida unless they bring them with them.

FIGHT ON FEDERAL INHERITANCE TAX

Thirty governors of States, and it is estimated at least one-third of the Senate stand behind an appeal for elimination or modification of the Federal estate and inheritance taxes, the war on this particularly undesirable form of money getting by the Government being given a real start in Washington October 23. At the time mentioned a bipartisan committee came before the House Ways and Means Committee and explained the situation, asking for relief from a condition which is most undesirable. Democratic and Republican governors and Members of the Senate are joining hands to get this war emergency measure changed or repealed in order to save estates from being broken

up and industry hampered through claims that require liquidation in order to meet the call of the tax collector where there has been recorded the decease of a majority owner or large stockholder.

State governments, the majority of which have State taxes applicable in such premises, have become alarmed over the possibilities of an inheritance and estate tax which could be brought to 75 per cent of values through double taxation, and they are urging the immediate attention of Congress to the situation. Many of those who are fighting for a change on the Federal policy regarding estates believe that the national tax gatherer should leave this matter entirely to the States. Levied by the Government to raise money during the war, only radicalism has kept them on the books, and while they fail to raise the revenues that were claimed for them in advance, mischief-making politicians endeavoring to make their constituents happy by pretending to legislate against the rich and well-to-do, insist upon continuing this unnecessary tax.

Secretary Mellon in his last annual report showed that these high imposts necessarily depress capital values, continually compelling division of estates and throwing securities on the market. They discourage accumulation, which is the reserve behind any country's prosperity, with a future possibility of actually destroying taxable capital. The recognition by Congress of the prejudice against this form of taxation, shown in the allowed credit for not over 25 per cent of the amount of the State inheritance, legacy, or succession taxes paid to States, is not satisfactory and the call is insistent for repeal or great modification of the law.

Florida having by constitutional amendment prohibited the levying of income and inheritance taxes by the State has won public attention of the most desirable sort. The State stands out, with two or three others, as opposed to excessive and troublesome taxes, and sets an example that could be profitably followed by States where the income needed can possibly be obtained through more regular and equal taxation. Florida's appeal when asking for this constitutional amendment was based on solid and reasonable grounds, and it was urged that the people take a stand against the constantly growing list of tax items and avoid every possible point where double taxation could be indicated.

Florida, however, will be glad to see the Federal Government remove from its books the war measures known as the inheritance and estate taxes. Florida is pleased more than some other States could possibly be, for here it may be possible to see an estate settled without handing either to the State or Federal Government a considerable part of property that has been accumulated and is being used perhaps in the furtherance of general prosperity, levied upon and taken from the heirs at a time when the decease of the chief owner makes matters particularly troublesome and the continuance of a useful tenantry perhaps most doubtful.

[From the Jacksonville Journal, October 26, 1925]

FLORIDA'S TAXES DRAW FIRE

Florida's constitutional ban against the levy of income and inheritance taxes got before the Ways and Means Committee of the House, as it was bound to do, for other States are jealous of this State's growth. That is the chief trouble with all the agencies that are trying to throw stones at Florida.

Florida was able to take a statesmanlike view of the tax problem, and she saw that it was possible to make the tax burdens easier here. While they are at it the critics of Florida might reflect that a State that is able to lighten the taxes must be a pretty good State to live in. If they would try to emulate this State instead of defaming it they would be much better off. Florida is exercising her rights as a State in removing burdensome taxes and is going further in reducing the State tax and in equalizing assessments. She is setting an example that all other States might follow. She is not concerned with the tax problems of other States. She is attending to her own business and she expects other States to do the same thing. She is going about the development of her resources in a way that will benefit the State most. She found that one way to do this was to assure capital that it would be given legitimate protection. One of the vexing problems in investments is the imposition of numerous taxes. Florida saw this just as other States see it. Florida was able to overcome it, and she insists that she be let alone in the handling of her tax problems. Every State has its own peculiar questions. Some lay taxes on oil and coal production, which add to the price that consumers in other States must pay for the product. It comes down to the question of each State taking care of its own problems, and that is the basis on which Florida is proceeding. She hopes that relief may be furnished all along the line in the Federal tax scheme, but at the same time she will insist upon her State right to manage her local taxation to her own best interests in accordance with the prospects, the development, and the advantages of the State.

THE MIGRATION GOES ON

On Saturday there were parked in a few business blocks autos from 16 States, and 2 cities from America's northern neighbor, the Dominion of Canada. An actual count revealed the presence of so many visitors. Apparently the poison campaign is having little effect when so many come to Florida in a single day. This does not tell the whole story, for from many States more than one auto bore the tag of the home State of the owner as driver. If a survey had been taken of the whole city a much larger representation would have been revealed. It will take far more than the writing of propagandists and the defamation by foes of Florida to stop the migration. There are too many people who know that Florida "can deliver"; that she can meet the legitimate claims made for the State.

[Former Gov. M. R. Patterson, of Tennessee, in Memphis Commercial-Appeal]

JUSTICE TO FLORIDA

I have always thought that in our Union of States the prosperity of one ought to please all the others, for such is the true spirit of our democracy.

The country is big enough and the people in it are broad enough, I think, not to be influenced by local prejudices to any marked extent. To indulge in extravagant statements on the one hand, unduly extolling one State or section over another, or in corresponding depreciations, accomplishes no useful purpose. As a matter of simple truth, Florida is a great State, of almost illimitable possibilities. I knew this in my previous travels over it six years ago, and wondered then that the fact was not more generally recognized.

When intelligent and successful men, who have proven their capacity to make money elsewhere, pour their capital into another locality and go there to make their homes it won't do to dismiss with a sneer such manifestations.

To Florida both men and money have come, the former by the thousands, the latter by the millions.

The lure, whether it be actual or artificial, is there, and it attracts.

There is something more in the equation than desire for change, though this may be a factor. There is too much permanence for this to be the sole cause for the marvelous transformations that are taking place in Florida; for the mighty influx of capital and population.

The climate? I think this was originally the chief attraction, and so remains, but there is something more than climate—lovely bays, the fishing, and the ocean.

This may be found to exist in the statements which are claimed as authentic relating to Florida.

Among these are that the State has no bonded debt. There are no inheritance taxes. That the death rate is lower in Florida than any other State of the Union. That Florida is the only State surrounded on three sides by the seas. That there are more than 100 distinct types of soil in the State, which will produce all sorts of crops. That it has a natural monopoly in certain fruits and vegetables which grow nowhere else in such profusion. The claim is made that the winter crops of vegetables and fruits bring more than $6,000,000 into the State annually; that Florida produces 20,000,000 dozens of eggs every year; 20,000,000 bushels of corn, 200,000 barrels of sirup, a very large yield of Irish potatoes, 82 per cent of all the phosphate mined in the United States; has the largest tobacco plantation in the world, and is one of the leading cattle States of the country. There is much more put forward about Florida, but the above, if not all correct—I do not vouch for it—will at least serve to show something of the real situation and the contributing cause of the State's amazing growth.

On the other hand, there is neither coal nor iron in Florida, and many fruits of temperate zones, such as apples, do not thrive there or peaches grown for shipment. Wheat is not grown.

That there is a large faith in the future of Florida is best attested by the character of the men who are building it up—their enthusiasm and the convincing argument of the money they have invested.

The best summing up of the situation that I can give is that Florida is Florida and there is nothing else like it.

Her unfolding, the pioneering thitherward, the feverish activity prevalent, all mark one of the most interesting chapters of the many that go to make up the romance of American history.

[From the Sunday Times-Union, November 29, 1925]

HOW FLORIDA HELPS THE SOUTH

Assertions have been made in these columns from time to time that Florida, in many ways, is helping the South, that Florida prosperity is overflowing into other States and sections of the Southeast. To some people this may have appeared unwarranted claiming of credit for Florida, may have appeared as Florida "boosting," as is the detested word.

The fact is, there is justification, plenty of it, and confirmation, too, for what the Times-Union has asserted. Very many instances have occurred of Florida helping the entire South to prosper. One of the latest of these is contained in a New York Associated Press dispatch that tells of remarkable increase in freight and passenger traffic, of a line of steamers operating out of New York and Boston, that is the "direct result" of unusual prosperity in Florida. In the dispatch referred to this it said:

"* * * In some instances freight shipments have increased more than 100 per cent. Tourist traffic from New England is running at the highest level in the history of the line. The great increase in real-estate activity in Florida and excellent tobacco, cotton, and other crops are credited with aiding the upward trend. Exportation of cotton from the Southern States to Europe is higher than at any time in recent years, it was announced."

The foregoing is a summary of the annual report made by the steamship line referred to, and that goes so very far by way of confirming what has been said in these columns from time to time. While it is entirely true that Florida is helping other sections of the South, in more business and to the enjoyment of greater prosperity, that same Florida help is extending even beyond the South—to New York and New England, for instance, where are the offices of the line of steamers that is profiting very greatly by reason of Florida prosperity.

This is but a single instance that shows unmistakably that Florida is helping people and places other than its own. The era of prosperity on which Florida has entered and which promises to be continuing is making its impress, is carrying its benefits far and wide, and in a perfectly legitimate manner. Many lines of business as well as of transportation benefit by whatever helps Florida to grow and prosper.

Here and there are narrow-minded individuals who would crush Florida prosperity because they have a mistaken notion that what is taking place in Florida is for the benefit of this State alone. Nothing could be farther from the truth. Much of the money that is coming to Florida already is earning more money for those who send it here, and, in reality, for those who are trying to cripple Florida, to put a crimp in Florida prosperity and progress. Such as these know not what they are doing. They are like those who are said to "cut off their noses to spite their faces."

Liberal-minded, ambitious people everywhere rejoice in Florida's prosperity, realizing that they in some way or manner may and do benefit thereby. In so far as all the South feeling the effects of Florida prosperity and help there is no doubt whatever.

TRYING TO CHECK THE TIDE

[From the Times-Union, November 24, 1925]

The Houston Post-Dispatch does not believe that there is any movement in the country to injure Florida as has been claimed by the Florida Real Estate Association but admits that a determined effort is widespread in the Northern and Middle West States to check the emigration to this State. This is not denied. The reason for it being self-defense and entirely justifiable. But, of course, the arguments against Florida are not always fair. They are certainly not proving effective at this time, and Florida really need not worry greatly over the strenuous demonstrations made in favor of "staying home" and spending the savings in Northern and Western States. The call of the South has been heard, and there are many reasons for the movement into Florida.

The Houston Post-Dispatch says that "Florida is making its great progress largely through attracting wealth to it from other States. Many people have been rushing to the Peninsula State with the expectation of getting rich there, but the most of them based their expectation upon the opportunity for speculation. And most of what has been accomplished recently in Florida has been accomplished through money brought in from the outside and not from wealth created in Florida." The charge of speculation is of course true—but where under the sun is there a place to win without speculation? Northern and eastern money is helping to build fine resort and commercial hotels in Florida—speculating upon future and continued patronage. Northern and eastern capital is buying and extending great citrus fruit groves, and great acreage in sugar cane and pineapples and bananas and tomatoes and beans and potatoes, hoping for continued good markets at fair prices.

Florida is the most wonderful agricultural State in the country and can raise practically anything grown anywhere in the world and make the crop pay. To develop more of the millions of acres here money must come from outside, and when invested and properly directed the returns are certain and generous. There is a class of speculators now working in Florida who expect to do nothing more than "turn over" lots and other property bought for that purpose. They will sell very largely to other speculators, and some will fail to realize the profits hoped for. But Florida property is very largely bought on value, and where the investor has been careful and knows something about the possibilities, even a great many speculators are doing very well and find the situation interesting.

"It can not be described as a hostile feeling," declares the Post-Dispatch, "or a desire to misrepresent or attack either Florida or California, when States are inciting a defensive effort against losing population and wealth to the two States mentioned. But there is a well-defined sentiment that something must be done to make the people realize the advantages at home and to influence them to remain there." Florida only invites the people here, without any particular call to any sections of the country, and tells them what can be expected. Florida takes no part in exploiting the real estate boom. The natural advantages of this State are sufficient to attract when understood, and explaining them and giving facts regarding climate and productions is regarded as a fair and reasonable argument. If other sections content themselves with advertising their attractions and go no further than telling the truth about Florida this State will have no protest to make.

[From the Tampa Morning Tribune]

FLORIDA, THE AWAKENER

The anti-Florida propaganda is rapidly dying out. It has been exhausted by its own animus.

Every day now we see evidences that publications hitherto hostile to Florida have seen the error of their ways. There is a tendency on their part to make amends to Florida, not by outright apology, of course, but by assuming a much more favorable attitude. They have realized that their attacks on Florida have been reacting upon them and upon their own cities and States. Most of them were actuated by the frenzied protests of "prominent citizens," or "constant readers," or "leading bankers and business men" in their communities, who were feeling the Florida movement in the region of their bank accounts. Some of these campaigns against Florida were deliberately planned, organized, and financed. In other cases newspapers were influenced merely by expressions of those who had been affected in their commercial interests or their banking interests by the withdrawal of money for investment in Florida and by the departure of their customers and friends for this State.

But now the anti-Florida propagandists are becoming ashamed of themselves. Some of them are openly "back tracking" and now print fair and favorable articles about Florida.

Among the really distinguished and worth-while newspapers of the country which were deceived into participating in the anti-Florida agitation is the Richmond Times-Dispatch. The Times-Dispatch printed some very cruel and very unfair things about Florida. But the Times-Dispatch has evidently been making some investigations on its own account and no longer accepting the "I-say-so" dictum of the Toms, Dicks, and Harrys of selfish or jealous prejudice. Hence we hail with particular joy the leading editorial in the Times-Dispatch of November 29, headed "The South To-day," which, after quoting with approval the slogan, "The South of to-day is the West of yesterday, the young man's promised land," says of Florida:

"In this quickened life of the South, Florida is playing a large rôle. The development which that State is undergoing is no accident; the way had been carefully prepared through years of publicity. The results have been beyond what Florida itself imagined they could be and they have brought embarrassments, but the fact remains that Florida has wonderful and stable values and the normal to which it eventually will return will be far beyond even the most roseate dreams of a few years ago. To Florida the South owes a debt of gratitude, for in centering the attention of the world on itself it has brought the entire South into the sunlight and hastened by years the development that is inevitable. To quote the Manufacturers Record: 'The Florida situation as it relates to the South is the one great, outstanding advertisement, nation-wide in its scope, worth in the aggregate not millions but hundreds of millions of dollars in publicity, the effect of which will be south-wide in its results.' 'For many years,' says a Georgia writer in the same publication, 'the birds following the sun, and the tramps following the birds, and the drummers on business bent, constituted the sum total of our visitors to the South. The birds could not talk and the story tell; no one would listen to a tramp and few outsiders believed what the drummers said of the South, but Florida is bringing all sorts of kinds and conditions of men and women folk to observe us. Florida is our decoy de luxe, and the human ducks have ducats in their pockets.'"

Strange, indeed, that this thoughtful and discerning editor did not see from the first that the growth and development of Florida meant growth and development for the whole South, that Florida is "playing a very real and valuable part in the South's progress." This is evidenced in its own State of Virginia, for the Richmond paper says, "Virginia is beginning to stir under a quickened realization of what the future has in store."'

Congratulations to the Times-Dispatch and to the other newspapers which are "seeing the light" and which have reached the inevitable and the logical conclusion that Florida, instead of being a menace to the rest of the South, is really the awakener, the inspiration, the example to its sister States, showing them the way to properly appraise and use their natural advantages and resources for accelerated progress and abiding prosperity.

[From the Sunday Times-Union]

WHY FLORIDA ATTRACTS PRACTICAL PEOPLE

There is abundant evidence for saying that Florida attracts large numbers of practical people. The temptation was to say that Florida attracts "big" men. It does. But it must be understood that

"big," in this instance, does not mean only men of great wealth. The word indicates men of moderate means, but possessed of practical ideas and knowledge, of good judgment. It may mean even those who only are "big" in energy and enterprise, although possessors of very little money. All such are "big" men in the sense here intended. These are the men to whom Florida makes the strongest sort of appeal, is making it now, and will continue so to do as long as there is opportunity and room in Florida for men of wealth and also for men of ability and energy to operate.

In the 16-page Florida section which the New York Sun issued last Saturday a number of "big" men told why Florida has attracted their attention and their money, among the number being August Heckscher, who some years ago began making extensive investments in Florida—because the Florida appeal reached him earlier than it did many others. Mr. Heckscher has given the Sun various reasons for his belief in Florida. He says that "the advantages of Florida," * * * that "have been little recognized in the past," are:

"Climate first, which includes an abundant rainfall well distributed and the vast and constant reservoir of water in the lakes, some of them of enormous size, that dot a good two-thirds of the peninsula. Fertility of the soil next; almost anything will grow and ripen in Florida. Thirdly, thousands of miles of fine beaches on the Atlantic Ocean and the Gulf of Mexico, many bays, many harbors, and fertile islands. The most marvelous fishing, yachting, and motor boating on lake, river, and ocean under summer skies.

"The soil, the climate, the ocean frontage, the lakes stocked with fish, the great phosphate beds in the interior of the peninsula have been largely neglected until the hand of man by intensive development, the exploiting of harbors, the building of good roads, the omnipresent automobile, the planting of some of the soil, and the keen longing for rest and recreation have brought an entire nation to the threshold of this promised land."

Is it any wonder that August Heckscher has invested hundreds of thousands of dollars in Florida land and property, that he continues to have faith in this State, and that his son is following in his footsteps? Not at all. Florida climate and soil made their first appeal to Mr. Heckscher. The other sources of appeal, as indicated by him in the Sun, are secondary, but none the less strong.

Other "big" men like Mr. Heckscher, Jacob Ruppert, George E. Merrick, J. W. Young, Barron Collier, John McE. Bowman, among them, testify, through the Sun, of the grip that Florida has on them. These are all outstanding business men whose great wealth has been amassed in various business enterprises. Their good judgment has enabled them to succeed. Is it likely that their judgment concerning Florida is faulty? Not at all. Their judgment with reference to Florida is just as good as any they have formed with reference to their other business enterprises, and to them Florida offers a business investment that they thoroughly appreciate, as is evidenced by the millions of dollars they have invested in this State.

It is worth noting that where successful business men cast their lots the opportunities for profitable investment are best; also that there those with less of money may find their opportunities if they will use good judgment and wise caution. Even to those who have nothing to invest but their skill and experience Florida makes appeal. The State needs labor even more than it needs money. The latter is assured, because the Florida attractions are irresistible. Having and getting the money, Florida now and always needs builders, men whose work is needed on the farms and in the cities and towns of this State. For all who are worthy the rewards are ample.

GIVING THE PEOPLE GOOD ADVICE

[From The Florida Times-Union, December 3, 1925]

Newspapers of the United States are giving more space to Florida at this time than ever before, and while some few appear to be intent upon belittling the claims of this State and doing whatever they can to check the interest and interfere with the movement in this direction, many others are giving facts and offering advice that is excellent. The Pittsburgh Gazette-Times is among the latter class, and has more than once discussed what is called the Florida "boom" in the North and East and West. Recently the Gazette-Times told of a shipment of 9 tons of steel products by a Pittsburgh manufacturer, who used the express service to deliver the goods, a rather unusual procedure, and one that cost the buyers a pretty penny for transportation. But the stuff was needed in a hurry, and the railroads were busy bringing in foodstuff and passengers and could only promise to deliver freight somewhat slower than ordinarily.

The newspaper did not undertake to blame Florida or the transportation companies for this state of affairs, but seems to have decided that things will work out satisfactorily if given a little more time. Certainly the authorities are doing their best to keep the stream of traffic and the trainloads of things in and out moving promptly.

The greatly increased demands made upon railroads and steamship lines serving Florida found all concerned working hard to keep up and extend and improve. The situation which is complained of by shippers and others is only that which always occurs when a great movement is indicated toward any particular point. But all the trouble in this line is being adjusted and will be anticipated in the future as far as human ingenuity and labor can provide for new and extended service.

The Gazette-Times concludes its remarks by saying:

"Floridians protest against the popular interest in their State being characterized as a land boom. They prefer to call it a substantial development. There is solid ground for the distinction they make, though one need not ignore the fact of the speculation that first turned the eyes of the country that way. The significance of the freight congestion on all lines running into Jacksonville is that thousands of people are going to Florida with intent to make their homes there. The tied-up freight is largely building materials and supplies of a character needed to make the growing population comfortable.

"It only remains to be seen whether the migrators have been foresighted enough to assure their 'keep' during the period of assimilation of the human tide. There must be producers as well as consumers among the settlers if all are to flourish. If the proportion of the former among the newcomers is adequate the development of Florida's resources will be swift and the State will keep most of those who are flocking in."

"There must be producers as well as consumers among the settlers," the Pittsburgh editor avers, and that is a point to be impressed upon the incoming throng. Florida welcomes visitors who can afford to come and enjoy her wonderful climate, perhaps without particular personal efforts toward industry during their stay; Florida also welcomes and desires newcomers who are ready to get to work in one way or another and develop the resources and add to the products of soil and mine and industry in the State.

Florida is glad to have new capital invested here, and is delighted when the capitalist decides that this is a place to establish a branch factory or secure interest in an orange grove or a phosphate mine or some other well-known undertaking. Florida, long called the winter playground of the country, offers unusual attractions for those who would actively participate in the workday programs and contribute their time and brains and money to assist in making this State more famous for its industry as well as for its unrivaled climate and special productions.

Mr. FLETCHER. In one of these articles which I have asked to insert in the RECORD reference is made to an address by Mr. P. O. Knight, of Tampa. I quote from the report of that address the following:

KNIGHT FLAYS ALL TAXES ON INHERITANCES—INVESTMENT BANKERS ARE TOLD OF WONDERS OF FLORIDA

ST. PETERSBURG, FLA.—Leading investment bankers of the Nation to-day cheered Peter O. Knight, of Tampa, Fla., former vice president and general counsel of the Hog Island shipbuilding and now one of Florida's leading citizens, on his defense against inheritance tax.

Mr. Knight appeared before the bankers attending the fourteenth annual convention of the Investment Bankers Association of America in session here to talk about Florida and to tell it to the bankers. He soon launched into his battle against the inheritance tax and was wildly applauded.

"In Florida," Mr. Knight said, "we have no inheritance tax because we think it is wrong. We think an inheritance tax is socialistic, bolshevistic, communistic, and anarchistic.

"We agree with President Coolidge that it is legalized robbery," he added.

Mr. Knight's address in part follows:

"I have been told that I am to talk about Florida, to brag about Florida. I don't like to do that; ordinarily I do, but upon such an occasion as this I don't, but it seems that the exigencies of the situation require that I should do it. Therefore I must.

"I am not going to speak about Florida as a health resort because its fame in that respect is known all over the world.

"It is certainly not necessary to talk about Florida as a tourist resort. I am going to talk about other things—more serious things.

TELLS OF RAPID GROWTH

"I am not such a very old man—at least, I do not think I am—and yet I saw the first house built in St. Petersburg. It was in the winter of 1890, the same year that I located in Tampa, a little town then, 22 miles from here. At that time there was a bank in Tampa with $300,000 of total resources. It was the only bank in south Florida. When I say south Florida I mean the east as well as the west coast.

"It will probably astonish you to know that now the total deposits of all the banks of Florida are just three and a half times as much as all of the deposits of all of the banks in the 16 Southern States in 1881. To be more exact, the deposits of the 16 Southern States at that time were $231,000,000 and to-day the deposits of all the banks in Florida are between seven hundred and fifty and eight hundred millions. I doubt if a more amazing story of stupendous and rapid growth of any territory in this country, and the world, so far as that is concerned, has ever yet been told or can be told.

"And this prosperity of Florida, the prosperity that Florida is now having, is not due to any hectic real-estate speculation that this State has been afflicted with, but to fundamental, underlying conditions, and to constant, continuous development and growth of the past 30 years.

RESOURCES OF FLORIDA

"This State could build a wall around itself and support its people without any intercourse with the outside world. It furnishes 80 per cent of the phosphate that the people of the United States use. It furnishes 60 per cent of the naval stores that the people of the United States use. Outside of the Mediterranean it is the greatest sponge market in the world. Whoever heard of Florida as a manufacturing State? And yet last year the value of our manufactured products approximated $300,000,000.

May I refer to some other statements by responsible, well-informed parties:

Nothing can stop the growth of Florida, because the sources of her wealth are providential and not arranged by real-estate agents—

Said George Ade. He further said:

The two great assets of Florida always will be sunshine and warmth, no matter how great may be the development in specialized agriculture and gardening.

Mr. Babson says the desire for health and happiness are the moving causes of Florida's growth.

Former Secretary of Agriculture Wilson said Florida possessed in eminent degree the two necessary elements in the making of a great agricultural State—heat and moisture.

Mr. President, the truth is, people find there what they want and what they can find nowhere else.

Mr. Richard H. Edmonds, editor of the Manufacturers' Record, says:

Florida is a blessed privilege. There one is able to work harder and live longer, and to conserve health and vitality. Florida is a heaven-blessed spot, with a climate that is an inestimable asset. Diamonds at Tiffany's have not a more concrete value.

In Florida the two great disturbers—death and taxes—lose in large part their terrors.

Let others refrain from envy or criticism because she is able to put off the specter of death by her climate and push back the specter of taxes by constitutional amendment.

There can never be another Florida, and there is only one.

There are Jeremiahs, with judgment and vision, who believe "fields and vineyards shall be possessed again in this land."

The short-sighted, timorous Hanameels will realize the consequences of their lack of faith and courage.

Accessible to 75,000,000 of the people, who may travel by paved highways, Pullman trains, steamships, and airplanes; composed of health seekers, pleasure hunters, business and professional engagers, workers in the fields, orchards, gardens, forest, and farms; builders of highways, railroads, ships, bridges, and houses; manufacturers, miners, captains of industry, and modest home lovers; the powerful and the humble, the rich and the poor, moving in ever-increasing numbers into the State, all in love with Florida, whose destiny as the world's health and joy mecca, and the land of good American homes and sound and successful American enterprises, is assured.

Congress may do its worst, but that growth and development will go on.

Fair and proper encouragement is deserved and that would "promote the general welfare."

Congress might at least refrain from a deliberate attempt to obstruct that progress which arouses the admiration of the world.

I ask to have inserted as a part of my remarks, also, certain resolutions and several short articles.

The PRESIDING OFFICER. Without objection, the resolutions and articles referred to will be printed in the RECORD.

The resolutions and articles are as follows:

Resolutions of the Florida State Chamber of Commerce, adopted at its annual meeting at St. Petersburg, Fla., December 2, 1925

Whereas the people of the State of Florida, by a vote of 4 to 1, adopted a constitutional amendment prohibiting the State from levying in the future any inheritance or income tax; and,

Whereas the State is having unparalleled prosperity largely as a result of this wise, conservative, and far-sighted action upon the part of its citizens; and,

Whereas the Ways and Means Committee of the House of Representatives is endeavoring to deprive Florida of the wonderful benefits she is receiving by reason of this very wise action upon the part of its citizens by proposing to Congress that it enact a Federal law allowing those States that have inheritance taxes a credit to the extent of 80 per cent of taxes so paid, the admitted purpose of which is to force the States of Florida and Alabama to levy an inheritance tax; and

Whereas taxing the dead, either by Federal legislation or State legislation, is a capital levy and should not be resorted to except in time of war or other grave emergency; and

Whereas an inheritance tax, if it is to be written into law at all, is a prerogative of the State, a political question exclusively within the province of the State; and

Whereas by the proposed action of the Ways and Means Committee, in proposing to give to the respective States that have inheritance taxes credit for 80 per cent of the taxes so paid, the committee admits that the Federal Government does not need the revenue; and

Whereas the action of the Ways and Means Committee, in endeavoring by Federal legislation to coerce a sovereign State into enacting legislation contrary to the wishes of the people of that State, in a question of purely local concern, is unprecedented, arbitrary, despotic, indefensible, and contrary to the very fundamentals of our American form of government: Therefore be it

Resolved, That we call upon our Senators and Representatives in Congress to demand the immediate repeal of the Federal inheritance tax, and that they take such action as may in their judgment be deemed best to prevent the successful carrying out of the iniquitous, vicious, and indefensible proposal of the Ways and Means Committee of the House of Representatives; be it further

Resolved, That copies of this resolution be sent to our Senators and Representatives in Congress, the President of the United States, the Secretary of the Treasury, the press of the State, the press of Washington, and the press of New York City.

[From the Jacksonville Journal, December 14, 1925]

DEMAND FROM FLORIDA HELP TO NORTHWEST—FLEET ON WAY TO JACKSONVILLE AND MIAMI PORTS

SEATTLE, WASH.—The feverish haste to send full cargoes of Puget Sound lumber and shingles to Florida was equaled only by the suddenness of the building activities following the San Francisco earthquake when every facility for shipping was called into action.

The demand from Florida for Northwest building material has been the feature of the winter. Lumber mills accustomed to closing down for the Yuletide period are still running full blast to get out orders. Loggers are earning more money than usual and great prosperity prevails. On with the Florida prosperity, says Northwest lumbermen, for the good times are reflected in increased pay rolls in the forests directly opposite the southeastern point of the Nation.

Northwest apples are also going to Florida in exchange for grapefruit and oranges.

Fourteen sailing vessels and four steamships are loading building materials at lumber mills on Puget Sound, three at Grace Harbor, and four on the Columbia River. This great fleet laden with balsam fir and spicy cedar of the Northwest's mighty forests will rush post haste to Miami and Jacksonville for discharge. In addition to the above boats are two sea-going barges, *Dacula* and *T No. 38*, which are being loaded with 3,000,000 feet of large-dimensions stuff for Miami. The barges will be towed the entire distance by large tugs. This is the most daring attempt ever made to deliver a large shipment of Northwest timbers.

What is expected to be one of the greatest races ever held between commercial vessels in American waters started from Grays Harbor when the sailing schooners *Alvena* and *Irene* left for Miami on their last voyage from the Pacific Northwest.

Known as the "twin pearls of the Pacific" the ships are exact in size, tonnage, and sail spread. They left here on the same day and the outcome will be watched with keen interest by maritime men. One boat is filled with planking and small-dimension stuff with a small deck load; the other is loaded with cedar shingles and heavy timbers. The first leg of the race to the Panama Canal is the easiest, but once in the Caribbean Sea with the season's squalls, calms, and treacherous currents the going will be difficult.

[From the Jacksonville Journal, December 14, 1925]

"THE PUBLIC INTEREST FIRST"

FLORIDA HELPS COUNTRY

Some recent events bear out with the greatest force that any sensible man would ask that the prosperity of Florida is helping the country, and that the defamers of the State when they attack it are hurting themselves.

Within recent weeks tremendous orders have been placed by the railroads of Florida for locomotives and railroad equipment generally. The increase in railroad earnings in the South has been phenomenal. The publication of returns reveals mounting figures far beyond last year's records. In each case the increase is ascribed to the business in Florida. The roads have been required to make enormous expenditures to meet the extraordinary demands. When new cars are purchased, new locomotives built, new rails laid, it means that a contribution has been made to the Nation's business total, that thousands of workers will continue to get their weekly pay checks, that investors

will get their dividends, all because of the purchases made necessary by the Florida expansion. The same logic applies to every line of business.

Buyers in New York recently complained that prices were going up because of the demand for materials in Florida. The result of this is that the manufacturers of building supplies will be kept busy and that thousands will benefit directly because of the growing prosperity here, although they may never have seen the State. These same workers no doubt have been told that the Florida development is a bubble. It is no bubble when it comes to getting their week's earnings.

From the Pacific coast port of Seattle comes the announcement that 18 vessels are carrying lumber supplies to Jacksonville and Miami. The lumber mills of the Northwest have been kept in operation through the Christmas season to prepare shipments for Florida, a condition of prosperity unknown to that locality. Building in Florida is given specific credit for the winter's boom in the great lumber country.

All this goes to show that a mighty factor in the Nation's prosperity which is heralded by Secretary Mellon, President Coolidge, and the leaders in the financial world is the business that is traced directly to orders from Florida.

It ill becomes any State or community to "bite the hand that feeds it," and that is just what is being done when attacks are made upon Florida by another State, by another community, or by anyone outside.

FIGHTING A VICIOUS BILL

The attack made upon the estate provision of the new revenue measure by the Representatives in Congress from Florida meets the expectations of the people of Florida who want the campaign continued unabated until some recession is made by the framers of this measure. The bill is directed at Florida principally because this State has profited from its foresight in prohibiting what the President and Secretary Mellon say is an unjust tax. The Secretary and President profess to be scientific tax makers. They profess to want to do away with improper levies and discriminatory rates. How they can swallow a clause in this bill which levies tribute upon Florida is beyond the understanding of the people of this State. A word from them would go far toward eliminating the entire clause for Federal taxes upon inheritances. They are known to be opposed to an estate tax by the Federal Government, and in view of that stand they should speak for the protection of States.

The efforts of the Members of Congress from Florida to defeat this indefensible tax provision deserves the support of all Floridians. They can give this support by the adoption of resolutions through every civic agency which may be forwarded on to Washington for use in the Senate and House.

[From the Sunday Star, December 27, 1925]

CITIES OF FLORIDA LEAD IN BUILDING—200 PER CENT GAIN IN NOVEMBER SHOWN AS BOOM CONTINUES IN STATE

The national monthly building survey of S. W. Straus & Co., made public to-day, shows that the 12 strictly Southern States continued in November to break their 1925 building permit records, exceeding November last year by 52 per cent, and reporting a total of $39,974,732 in 76 cities and towns.

"With this showing for the 11 months, these same Southern States will probably make a gain well over 50 per cent for the year," says the S. W. Straus & Co. survey.

"Florida's November gain was 200 per cent, with a total in 16 cities of $21,132,331. Every city reported from Florida had a phenomenal November increase. Other States in the group which showed November gains were Arkansas, Mississippi, North Carolina, South Carolina, and Texas.

MIAMI LEADS CITIES

"Miami led the southern cities in volume, with $5,498,399, compared to $1,395,660 in November, 1924. Coral Gables was second, with a total of $3,155,000, and making this new southern city sixteenth among the leading 25 cities of the entire country. St. Petersburg was third among the southern cities, with a November total of $2,470,300. Jacksonville was fourth, Dallas was fifth, and Tampa sixth.

Among the cities outside of Florida which showed substantial November gains were Greensboro, N. C., with a gain of nearly $1,000,000; New Orleans, Memphis, Knoxville, Winston-Salem, Asheville, N. C.; Mobile and Houston.

The whole country, 402 cities reporting to the survey, made a November gain of 26 per cent. Each region showed an increase over November, 1924, except the Pacific West, which had a slight decrease. The November total for the 402 cities and towns was $340,552,424.

LEADING SOUTHERN CITIES

The 25 leading Southern cities showing largest volume of permits for November, 1925, are:

Miami	$5,498,399
Coral Gables	3,155,000
St. Petersburg	2,470,300
Jacksonville	2,165,215
Dallas	$1,827,107
Tampa	1,659,002
Houston	1,316,389
Lakeland	1,112,095
Birmingham	1,083,229
Greensboro, N. C	1,196,673
Louisville	1,092,395
New Orleans	1,049,473
Memphis	1,043,380
Orlando	1,006,890
West Palm Beach	923,655
San Antonio	889,080
Miami Beach	868,975
Hollywood	779,400
Knoxville	668,334
Winston Salem	583,071
Asheville, N. C	579,931
Clearwater	570,750
Mobile, Ala	547,350
Richmond, Va	461,521
Atlanta	442,856
Total	32,990,462

FLORIDA LEADS ALL STATES IN GOOD BUSINESS—1926 OUTLOOK BRIGHTEST IN YEARS, SAYS COULT

Florida led all other States of the Union in good business conditions during 1925, and enters the new year to-morrow with its map cleared of all black blotches indicating bad business, according to figures received to-day by the State Chamber of Commerce, with headquarters in Jacksonville.

The encouraging figures were based primarily on a business map and review of economic and business conditions by Frank Green, managing editor of Bradstreet, which prepares a monthly feature for the Nation's Business, a magazine published by the United States Chamber of Commerce.

Black on the business map indicates "quiet," gray indicates "fair," and white indicates "good" business conditions. Florida has been "in white" on the map for several months. Only five other States are entirely "in white," and they were cleared of black and gray marks during December. They are Georgia, Alabama, Tennessee, Missouri, and Arizona.

"A study of this map from month to month has been a revelation to me," declared A. A. Coult, secretary of the State chamber. "It shows that Florida has been the only State in the Union to remain consistently in the white during 1925. Florida has experienced excellent business conditions throughout the entire year—and not only one section of Florida, but the State as a whole is tingling with good business and prosperity."

"The outlook for 1926 is the brightest in years," Mr. Coult continued. "Plans for building during the coming year are larger than at any other time in history. The increase in ownership of farms is encouraging and indicates that Florida's agricultural industry will be more rapidly developed during the coming year.

"The fact that conservative bankers of New York, Chicago, and elsewhere are making large investments and establishing branches in the State indicates confidence of the Nation's financiers in Florida.

"The budget by the Southern Bell Telephone & Telegraph Co. of $9,500,000 for expansion during 1926—after spending $6,000,000 in 1925—and the budget of the Peninsula Telephone Co. of $2,500,000 for expansion in 1926—shows spending $4,000,000 in 1925—shows the rapid growth and commensurate development of the State.

"Railroads serving Florida are extending their lines into new territory, establishing new terminals and buying new equipment in larger volume than roads in any other section of the country. This is indicative of the progress being made in all other lines of business activity in the State."

Figures received by the State chamber show that the total number of farms increased in the State during the period 1920 to 1925 from 54,005 to 59,217. Six thousand additional farmers were added to the State during the same period, there being 41,051 white farmers in the State in 1920 as compared with 47,205 in 1925.

Tenant farmers decreased and ownership of farms increased tremendously during that period. There were 38,487 owners of farms in 1920 and 13,689 tenants as compared with 45,608 farm owners in the State and 12,621 tenants in 1925.

These figures were described by Mr. Coult as "an inspiring revelation on the healthy condition of the farm industry in the State."

There are few States in the Union where farms are increasing in number, and where the ownership of farms is increasing. Instead, in most States they are leaving the farms and going to the cities, it was pointed out.

The State chamber has not yet compiled figures on the State's building activities during 1925 and on bank clearings and other barometers of the State's progress.

STAMP SALES IN JACKSONVILLE SHOW 222 PER CENT GAIN—RECORD REVEALS PROGRESS OF CITY IN REALTY AND BUSINESS

Documentary stamp sales for 1925 in Jacksonville show an increase of 222 per cent over the previous year, according to an estimated report made by Collector of Internal Revenue Peter H. Miller to the Journal to-day. Sales for the year just coming to a close were $226,413.16, as compared with $70,514.22, the total for 1924.

The peak month in stamp sales was October, when a total of $34,814.17 was sold; September ran a close second, with a total of $33,472.94. The last three months of 1925 alone total more than the entire year of 1924.

These figures, according to Mr. Miller, represent one of the most reliable barometers of business and real estate activities. In April of this year the sales began to increase, and they continued to increase up to October, after which only a slight decrease was shown, due to the usual holiday lull in business activities throughout the country. It is expected that the totals will continue to soar through the new year.

A glance at the figures, tabulated by months, shown below will indicate pretty well the trend of Jacksonville real estate and business activity during the past two years:

	1924	1925
January	$12,712.63	$5,968.93
February	8,178.61	8,033.38
March	8,927.62	9,429.29
April	8,843.36	12,446.04
May	7,177.02	13,230.90
June	4,988.00	15,989.10
July	3,601.52	16,165.73
August	2,804.10	23,932.78
September	1,986.89	33,472.84
October	4,022.53	34,814.17
November	2,940.16	28,347.20
December	4,331.78	23,582.80
Total	70,514.22	226,413.16

INCREASE OF 75 PER CENT IS REPORTED—HUGE GAIN SHOWN IN DEPOSITS AND RESOURCES

Billion-dollar Jacksonville, the banking center of Florida, shattered every banking record in the country for cities of its size and population in the enormous gain of its bank clearings and deposits and resources during the year of 1925.

Clearing showed a gain for the year of 75 per cent, or more than $635,000,000, while deposits showed a gain of 85 per cent, and resources of the nine National and State banks gained 87½ per cent.

Bank clearings for Jacksonville at the close of the year 1925 were $1,445,646,116.68, over $400,000,000 in excess of predictions made by local bankers at the first of the year, who believed the clearings would bring this city into the billion-dollar class.

Deposits jumped from $75,000,000 to $139,000,000 and resources from $79,000,000 to more than $148,000,000, a gain of over $64,000,000 in deposits and of over $69,000,000 in resources.

CLEARINGS CLIMBED

Bank clearings for January climbed from $87,323,087.33 in January of this year to $165,272,500.22 in December. February, with fewer business days than its predecessor, showed a total of $88,189,631.44; March reached a total of $106,293,262.53; April dropped to $104,826,398.52; while May evidenced a further drop to $93,782,768.06.

The total deposits of State and other banks in Jacksonville for deposits as of December 30, 1925, was $10,929,328.10, and resources of these six banks $11,827,772.04, which showed a gain of over 30 per cent for the year in both deposits and resources.

Deposits of the Peoples Bank of Jacksonville have reached the sum of $6,858,017.31 and resources total $7,117,151.15 in that institution, showing a deposit gain of over $2,000,000 for the year. The Citizens Bank of Jacksonville has deposits of $2,303,192 and resources of $2,487,000, while the Bank of South Jacksonville has $1,000,000 on deposit and resources of $1,163,859.54.

The Brotherhood State Bank shows deposits of $190,000 and resources of $220,000; the Fairfield Atlantic Bank, a new institution under the direction of the Atlantic National Bank, has made an enviable record since its doors were opened in the early summer of this year by piling up a total of deposits of $500,000 and resources of approximately $600,000. The Morris Plan bank has deposits of $78,117.79 in savings accounts and resources of $248,771.35.

SHARP RECOVERY

June brought a sharp recovery, making another record-breaking month, with $109,567,692.53, while July followed with the total of $131,598,515.40 and August slowed down to $116,896,193.74. September jumped to $128,867,060.96 and October reached the huge total of $157,678,284.61; November followed with $149,668,324.04 and was brought to the high total of $165,272,500.22 by December, making the year's total of clearings $1,445,646,116.68.

Figures of deposits and resources of the national banks of Jacksonville are based on the figures given to the United States Government as of September 28, 1925, plus 10 per cent and are considered very conservative inasmuch as the last quarter of the year was the greatest period in the banking history of the city and the gain for the year is indicated at a net gain of over 85 per cent.

On September 28 last the Atlantic National Bank had deposits of $50,320,579.68 and resources of $53,722,310.05, the Florida National Bank $33,896,343.60 in deposits and $35,905,470.37, while the Barnett National Bank had $32,525,939.79 in deposits and $34,827,416.58 in resources. These totals, with an estimated 10 per cent increase during the last three months, bring the deposits of these banks to $128,417,149.37 and resources to $136,900,716.70.

Totals of the national-bank deposits for the year 1924 were $67,425,278.93 and of the State banks $7,609,216.07. The gains for 1926 of national banks is estimated at $60,991,861.44 and of State and other banks $3,329,112.03, making a total gain in deposits of all banks $64,311,973.47 and a total in deposits to date of $139,346,476.47.

Resources for the national banks in 1924 were $71,250,358.35 and for other banks $8,185,548.66. The gain in resources of the national banks for 1925 was $65,650,558.35, and of other banks $3,642,224.38, making the total gain in resources during 1925 $69,292,541.73, and the total resources to date $148,728,448.74.

[From the Jacksonville Journal, January 1, 1926]

"THE PUBLIC INTEREST FIRST"

1925—1926

The year 1925 has been the greatest year in Florida's history, and the same forces that brought that result will make 1926 a greater one still if the logic of things counts and momentum is a factor in growth.

Likewise Jacksonville, the State's principal city, its leader in numbers and business volume, has experienced her greatest era of prosperity and should a year hence reach new heights by the same process of reasoning.

The United States has had a year of prosperity marked by a minimum of disquieting events and enters the new year with the expectation that national prosperity and happiness will continue to bless the land.

The world at large has had its share of troubles, but a new cry for peace has been heard with the certainty, so far as it can be predicated upon human frailties, that a new day has dawned to preserve peace and harmony among peoples.

The year marks an onward step in the unending progress of human kind, and the most pleasing sign from it all is that the accelerated movement is to be carried over into the new year.

Florida looks back a year ago and sees the greatest volume of business she has ever experienced during the 12 months now closing. Never has she had so many people or has she seen such continuous business activity. The population is rapidly nearing the 3,000,000 mark. The summer's business was the greatest ever known in the State. Hundreds of new subdivisions were opened. New towns have sprung up. Scores of new municipalities have been incorporated and dozens of towns have grown into cities.

A new State administration took office and began a program of expansion. New State buildings were authorized, the road program has been pushed forward, the tax rate lowered, faith kept in the ban on inheritance and estate taxes, larger appropriations voted for the State educational system, a real estate law passed, and legislative aid given expansion programs throughout the State.

The campaign against Florida was launched, but it has begun to react against the flood of facts and figures that point to Florida's growth and the recognition that the Florida business is a big factor in the Nation's prosperity. A campaign was launched to get the truth about Florida before the country which will counteract among thinking people who are guided by facts, the attack that had its roots in envy and jealousy.

A hard blow for Florida was the embargo, but it was not without effect in showing that the business of the State is of tremendous volume and in stimulating new construction. The Seaboard Air Line Railroad began extension of its lines to Miami and in other sections of the State. The Atlantic Coast Line Railroad announced the construction of a new line in western Florida, and also completed its double tracking to Richmond from Jacksonville. A new railroad entered the State with the coming of the Frisco system into Pensacola. The Florida East Coast Railroad speeded its program of double tracking down State to handle the enormous traffic. All roads placed big orders for equipment. The State's big problem is transportation in all its sweep.

A phase of Florida's expansion that suffices for the enumeration of figures is the reaching of the $300,000,000 mark for new building.

The State will continue its program of expansion next year, for the movement under way has only started. Announcement of a program of expenditure of $9,000,000 by the Bell Telephone Co. is a case in point. This might be duplicated by scores of others. Bank resources, crop production, traffic figures, realty transactions, business volume, all sustain in actual figures the forecast that Florida should continue next year its record of unparalleled growth.

[From the Tampa Morning Tribune, December 30, 1925]

THE SENATE SHOULD KILL IT

The inheritance-tax provision of the revenue bill has passed the House and is now pending in the Senate. On Monday the Senate Finance Committee will begin hearings on the bill as it comes from

the House, and the inheritance-tax provision will be before that committee for discussion and recommendation.

Florida has not receded from its position, taken before the country and before the House, that the proposed inheritance tax legislation is wrong in principle and indefensible in practice; that it involves the most drastic and inexcusable infraction of the rights of the States ever attempted by congressional action; that it is directly aimed at the State of Florida, inspired by the jealousy of other States which have seen and felt the advantage which Florida has obtained through its constitutional prohibition of this form of taxation.

Yet Florida does not base its objection to the proposal solely on its own local interests. It opposes the measure because it is both unjust and unnecessary, because it is violative of the accepted and time-tested principles of American government.

It may be held that the merits and demerits of an inheritance tax are debatable. If we grant that, the inevitable conclusion yet remains that the only justification for an inheritance tax by the Federal Government is that the Government needs the money. Then, if the Federal Government does need the revenue from such tax, the Federal Government surely should keep the money after it collects it and not rebate it to the States.

That the Federal Government should, as it will do in the adoption of this provision, act as a tax collector for the respective sovereign States is un-American and indefensible from any standpoint.

The Tribune can not see how any Member of the Senate, Republican or Democrat, can justify this proposal, considering it from any angle.

Furthermore, this provision of the revenue bill is admittedly an attempt to force Florida to levy an inheritance tax, although the people of Florida, by an overwhelming majority, have voted that they do not wish to levy this form of taxation, and have written it into their constitution that such tax can not be imposed in this State. Yet, even should the adoption of this measure have the desired effect in forcing the people of Florida to do this thing against their expressed will and desire, Florida could not possibly repeal its constitutional amendment and impose an inheritance tax before April, 1929.

The Tribune again urges all the Representatives of this State in Congress, especially our two Senators, and all friends of Florida and advocates of the square deal in legislation to use their utmost endeavors to defeat this inheritance-tax provision in the Senate.

It is unnecessary from a revenue standpoint; it is un-American in principle and practice; it is an effort to dictate to the sovereign States; and it will be resented by the people generally.

The Tribune hopes that the sense of right and fair play will prevail in the Senate and that this indignity be not visited upon Florida or upon the Nation.

GEORGIA PAPER OPPOSES TAX ON ESTATES—FLORIDA'S FIGHT ON INHERITANCE LEVY GIVEN ADDITIONAL SUPPORT

Florida's fight against adoption by the Senate of the House amendment to the Federal inheritance tax law, sponsored by Chairman GREEN, of the House Ways and Means Committee, instead of repeal of the law, as recommended by President Coolidge, is receiving newspaper support in all parts of the country, according to the Florida State Chamber of Commerce. Col. Peter O. Knight, of Tampa, one of the first Floridians to realize the significance of the Green amendment, has declared that the inheritance tax is indefensible. He has called it communistic, bolshevistic, anarchistic, and a few other things. Now comes the Macon (Ga.) Telegraph with a few words on the subject, and the newspaper condemns the law in such terms as to indicate that the editor went deep into sundry and various dictionaries for words to fit the case.

One paragraph from the Telegraph's editorial follows:

"The Telegraph's position in the inheritance tax has been made clear before, but it is well to state it again. We do not favor the inheritance tax because it is communistic, in violation of all our inherited and established principles of the sacredness of private property. It makes of the Government a grave robber. It sets officers of the law beside the funeral bier to take from widows and children property that has been accumulated legitimately, it must be presumed, to turn it over to those who have not had the enterprise to accumulate it. It forces the quick sale and sacrifice of securities and real property and frequently works hardships."

Senator FLETCHER, according to reports from Washington to the Florida State Chamber of Commerce, is devoting almost all of his time to preparations for the fight in the Senate when the House bill is brought up for consideration.

SUMMING UP THE SITUATION

Mr. FLETCHER. If the object is to break up large estates, the Federal Government, abandoning the purpose to raise revenue, should use an inheritance tax instead of an estate tax. Such a policy, moreover, can be better carried out by the use of the income tax. Evidently it is not for the purpose of raising revenue and it is not for the purpose of breaking up large estates that this estate tax is proposed to be continued in force.

It is fair then to say the purpose is, I repeat, to oblige the States to come into line with the Government's idea of a proper inheritance tax law which shall at least approach uniformity among all the States.

The question raises itself, What authority is found in the Constitution, express or implied, for the Federal Government to enact a tax law for any such purpose?

There is none. When the necessity for raising revenue ceases the power to resort to taxation to accomplish some other end or to enforce some kind of policy pleasing to Congress is wanting; in fact, never existed and the statute is invalid.

But the provision in this bill has even a narrower purpose in reality. It is aimed at Florida and Alabama, and possibly Nevada, where no inheritance taxes are imposed whatever, and the purpose is to compel them to join the other States in laying such taxes.

Particularly does Florida offend the sensibilities of those who insist on imposing upon their citizens inheritance taxes, because Florida has adopted a constitutional amendment providing that "no tax upon inheritances or upon the income of residents or citizens of this State shall be levied by the State of Florida or under its authority."

Florida has said in most solemn form that she does not wish to levy such taxes, she does not need to do so, she will not do so, and there is no power anywhere that can compel her to do so.

Florida calls to your mind the fact that it was not until 1910 that this form of taxation had reached a position of real importance—only about $10,000,000 were collected that year.

In 1921 the total collections, State and Federal, amounted to $221,000,000—twenty-two times as much.

Next, within five years 37 States have amended their rates, and all of them have raised their rates except one—California. Most of the States have constantly increased the number of nonresident taxes; exemptions vary from practically nothing to $75,000; top rates on direct heirs vary from 2 per cent to 14 per cent; collateral rates vary from 5 per cent to 64 per cent; there are marked variations in deductions and other provisions—to all these variations of State laws you demand Florida shall conform.

Again, the States tax about 130,000 estates and the Federal Government about 13,000 of them.

It is well known that the tendency of legislation to-day, with the States, is plainly toward relying more and more upon the revenue from death taxes; to increase the rates; to reach out after all property that it is possible for them to assess; to change their laws and rulings, always seeking additional revenue. Do you wish Florida to join in this orgie and harmonize with it and, further, indulge in what a distinguished authority on the subject characterized as "death-tax brigandage"? This is a great reform, indeed, to which you invite, then seek to drive us.

Florida declines to engage in this mad scramble for revenue involving to a large extent duplication of taxes and other injustice.

In some States death taxes yield only about 5 per cent of the State revenues, in others 30 per cent, and 60 per cent of that is from nonresident estates.

The unquestioned tendency of State legislatures is to increase the number of death taxes and the total yields. The framers of this bill deliberately encourage the States to increase their levies of inheritance taxes.

Under the existing laws "the fortune of an American living and dying in Manila, if bequeathed outside of the family and exceeding ten million, would be taxed upon that excess at the top rate of 104 per cent by the Federal and Philippine Governments." If the estate consisted of stock in corporations incorporated in various States, it would be possible to have the taxes run up to 305 per cent.

Those States levying succession or inheritances taxes of any kind, amounting now to only 25 per cent of the Federal estate tax, are told they must raise those to 80 per cent of the Federal tax.

Yes; there is need of uniformity.

But Florida prefers to lower rather than increase taxes on her people, and she feels she can make her best contribution to uniformity by refusing to enact any laws imposing inheritance taxes and permitting the States responsible for the variations and confusions to have a free hand to make their own adjustments.

Some States require the revenue derived from death taxes; Florida does not. The States will continue to impose those taxes. The Federal Government ought to yield the field to the States, just as the Governors of various States have urged. The inheritance tax committee of the National Tax Associa-

tion was right when two years ago they marked out a program which called for the abolition of the Federal estate tax.

The report of the national committee on inheritance taxation to the national conference on estate and inheritance taxation held at New Orleans, November 10, 1925, to which I have referred, is weakened by the recommendation that the Federal tax be retained for a period of six years, and in the meantime that "the credit provisions of the present law be extended to allow a credit of all inheritance taxes paid to the several States up to 80 per cent of the Federal tax." They aver this is done with the expectation that such a Federal statute "may have the effect of promoting uniformity."

It appears that the vote on the resolution in favor of the immediate repeal of the Federal estate tax was 12 in the affirmative and 16 in the negative, and after that vote this report was adopted. This feature, therefore, had but little more than a majority in its favor. The purpose in view was to compel the States to pass uniform inheritance tax laws by holding a club over them.

The report is theoretical. Its practical application escaped its framers. It is a question of fact whether an inheritance tax imposed by a State is sound or not. If such taxation is not needed by a State for the production of revenue for public purposes, then it simply becomes confiscation of capital and in that case can not be economically sound. That is a question for each State to determine, and conditions and circumstances in one State are likely to be altogether different from those in another State. It is not for Congress to prescribe a goose step for the States in matters of taxation. Why wait six years to do what it is believed should be done now? If the Federal estate tax is not required to raise necessary revenue it can not be abolished too speedily. All the evidence is that it is not so required.

Who gains by the provision that a credit up to 80 per cent of the Federal estate tax be allowed for estate, inheritance, succession, or legacy taxes paid to a State?

This means, in many instances, a net yield of 20 per cent only to the Federal Government.. Will that yield be sufficient to cover the maintenance of the machinery of the Government required for its collection and the administration of the division handling such taxes, to say nothing of the inconvenience to the country, involving numerous proceedings, waste, and expense, sometimes exhausting the estate?

Surely, we must recognize that the States, individuals, and descendants of the dead all have rights.

What warrant or justification can there be for deliberately taking a portion of the property left by a decedent with no net gain to the Federal Government or to the States?

It is simply proposed to disregard the rights of individuals and of States and penalize all those not willing to pay inheritance taxes.

All the agencies of administration and collection are to be employed, the rates are reduced, the credit mentioned is to be allowed, and a net decrease of revenue must necessarily follow, with the chances that the whole performance will result in a net loss to the Government.

The States, as such, will not benefit because none of the revenue would go to them. The only effect will be to induce them to increase taxes on their own people. No benefit would accrue to the administrator or executor by such a provision. An extra amount of trouble and expense will be occasioned, to be charged against the estate, thus obliging any estate to contribute, through Federal compulsion, to a futile attempt to coerce other States.

This all means to a certainty economic waste of no small proportions.

The Federal estate tax should be abolished now, and the pending revenue bill should carry the repeal of the estate tax as well as the gift tax.

Mr. President, I may have something further to say when this matter comes regularly before the Senate, particularly with reference to some other features of the bill referred to in a number of amendments which I have offered, but I wanted to say this much now, because I desired the Committee on Finance which is now considering the bill, and I also desired the other Members of the Senate, to have an opportunity of examining these views before they vote on this question.

EXECUTIVE SESSION

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 2 hours and 45 minutes spent in executive session the doors were reopened.

NOMINATION OF WALLACE M'CAMANT

In executive session this day, during the consideration of the nomination of Wallace McCamant, of Oregon, to be United States circuit judge, ninth circuit, on motion of Mr. JOHNSON, and by unanimous consent, the injunction of secrecy was removed from certain votes and proceedings in connection therewith, as follows:

Mr. JOHNSON moved that the Senate proceed to consider the said nomination in open executive session.

The VICE PRESIDENT ruled that the motion involved a suspension of paragraph 2 of Rule XXXVIII, and therefore required a two-thirds vote to carry the same.

Mr. JOHNSON appealed from the decision of the Chair on this ruling.

The question being, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. HARRISON called for the yeas and nays, and they were ordered.

The question being taken by yeas and nays, resulted—yeas 37, nays 34, as follows:

YEAS—37

Bratton	Fess	McLean	Shortridge
Butler	Glass	McNary	Smoot
Cameron	Goff	Means	Stanfield
Capper	Gooding	Oddie	Wadsworth
Curtis	Hale	Pepper	Watson
Dale	Harreld	Pine	Williams
Deneen	Jones, N. Mex.	Reed, Pa.	Willis
Edge	Jones, Wash.	Robinson, Ind.	
Ernst	Keyes	Sackett	
Fernald	Lenroot	Schall	

NAYS—34

Blease	Edwards	King	Simmons
Borah	Ferris	La Follette	Smith
Brookhart	Frazier	McKellar	Swanson
Bruce	Gerry	McMaster	Trammell
Caraway	Harris	Mayfield	Tyson
Copeland	Harrison	Norris	Walsh
Couzens	Howell	Pittman	Wheeler
Cummins	Johnson	Sheppard	
Dill	Kendrick	Shipstead	

So the decision of the Chair stood as the judgment of the Senate.

The question then recurred on agreeing to the motion of Mr. JOHNSON that the Senate proceed to consider the nomination in open executive session.

On this motion, Mr. HARRISON called for the yeas and nays, and they were ordered.

The question being taken by yeas and nays, resulted— yeas 40, nays 34, as follows:

YEAS—40

Blease	Dill	Jones, Wash.	Pittman
Borah	Edge	Kendrick	Reed, Mo.
Bratton	Fletcher	La Follette	Sheppard
Brookhart	Frazier	Lenroot	Shipstead
Broussard	Gerry	McKellar	Smith
Capper	Glass	McLean	Swanson
Caraway	Harris	McMaster	Trammell
Copeland	Harrison	Mayfield	Tyson
Couzens	Howell	Neely	Walsh
Cummins	Johnson	Norris	Wheeler

NAYS—34

Bruce	Fess	Metcalf	Simmons
Butler	Goff	Oddie	Smoot
Cameron	Gooding	Pepper	Stanfield
Curtis	Hale	Pine	Wadsworth
Dale	Harreld	Reed, Pa.	Watson
Deneen	Keyes	Robinson, Ind.	Williams
Edwards	McKinley	Sackett	Willis
Ernst	McNary	Schall	
Ferris	Means	Shortridge	

So the motion was rejected, two-thirds of the Senators present not having voted in the affirmative.

ADJOURNMENT

Mr. CURTIS. I move that the Senate adjourn as in legislative session.

The motion was agreed to; and (at 6 o'clock and 5 minutes p. m.) the Senate, as in legislative session, adjourned until tomorrow, Wednesday, January 6, 1926, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate January 5, 1926

SOLICITOR OF DEPARTMENT OF THE INTERIOR

Ernest O. Patterson, of South Dakota, to be Solicitor, Department of the Interior, vice John H. Edwards, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 5, 1926

CIVIL SERVICE COMMISSION

Jessie Dell, member of Civil Service Commission.

UNITED STATES MARSHAL

Jacob D. Walter, for the district of Connecticut.

POSTMASTERS

KENTUCKY

Louis E. Rue, Danville.
King Prewitt, Elkton.
John P. Balee, Guthrie.
Hebron Lawrence, Tompkinsville.
Henry H. Hargan, Vine Grove.

MISSISSIPPI

John R. Meunier, Biloxi.
George D. Myers, Byhalia.
Fletcher H. Womack, Crenshaw.
John Gewin, De Kalb.
Joseph E. Lane, Flora.
Woodard M. Herring, Inverness.
Asa A. Edwards, Laurel.
Alexander Yates, Utica.
Alfis F. Holcomb, Waynesboro.

NEVADA

Guy L. Eckley, Mina.
Albert R. Cave, Montello.
Raymond G. Jessen, McGill.
Anna S. Michal, Round Mountain.

NORTH DAKOTA

Daisy Thompson, Carpio.
Elizabeth L. Stahl, McGregor.

HOUSE OF REPRESENTATIVES

TUESDAY, *January 5, 1926*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

The testimonies of the Lord, our God, are true and righteous altogether. Abundant art Thou in wisdom and wonderful in compassion. Breathe upon us the Holy Spirit and stir our natures into the sweetest harmonies. May ideal truth, purity, and honor grow brighter and clearer to us. Teach us how to apply the standards of high duty to our daily tasks; make us equal to them. May all our hearts exclaim gratefully that "God is love." Guide, we beseech Thee, the destinies of our country and make happiness and industry natural and abundant. We pray in the name of the Gallilean Teacher. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO SIT DURING SESSIONS OF THE HOUSE

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce, or any subcommittee thereof, be authorized to sit during the sessions of the House.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that the Committee on Interstate and Foreign Commerce, or any subcommittee thereof, be authorized to sit during the sessions of the House. Is there objection?

There was no objection.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Under clause 2, Rule XXIV, Senate bills and joint resolutions of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 1226. An act to amend the trading with the enemy act; to the Committee on Interstate and Foreign Commerce.

S. 1423. To relinquish the title of the United States to the land in the donation claim of the heirs of J. B. Baudreau situate in the county of Jackson, State of Mississippi; to the Committee on the Public Lands.

S. 1478. An act to authorize the transfer of the title to and jurisdiction over the right of way of the new Dixie Highway to the State of Kentucky; to the Committee on Military Affairs.

S. 1480. An act to authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the Governments of the Latin-American Republics in military and naval matters; to the Committee on Military Affairs.

S. 1484. An act to amend section 1, act of March 4, 1909 (sundry civil act), so as to make the Chief of Finance of the Army a member of the Board of Commissioners of the United States Soldiers' Home; to the Committee on Military Affairs.

S. 1486. An act to authorize the Secretary of War to lease to the Bush Terminal Railroad Co. and to the Long Island Railroad use of railway tracks of Army supply base, South Brooklyn, N. Y.; to the Committee on Military Affairs.

S. J. Res. 4. Joint resolution to suspend until February 1, 1928, the jurisdiction, power, and authority of the Federal Power Commission to issue licenses on the Colorado River and its tributaries under the Federal water power act, approved June 10, 1920; to the Committee on Interstate and Foreign Commerce.

S. J. Res. 25. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point two Siamese subjects to be designated hereafter by the Government; to the Committee on Military Affairs.

THE RULES

Mr. TILSON. Mr. Speaker, I ask unanimous consent that clause 20 of Rule X, which is the clause referring to the Committee on Mines and Mining, be amended so that during the present Congress that committee may consist of 16 members instead of 15 members. I wish to say to the House that a Member who has rendered good service on this committee in prior Congresses has returned to this Congress, and I should like to have him placed on that committee.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. GARRETT of Tennessee. The gentleman from Ohio, in behalf of the committee on committees, as I understand, did me the courtesy of talking with me about this matter, and I wish to say it is perfectly agreeable that that be done.

Mr. TILSON. Mr. Speaker, in order to make it a matter of record, I will send a resolution to the Clerk's desk so that it may be formally entered in the RECORD, and I ask for the present consideration of the resolution.

The SPEAKER. The gentleman from Connecticut asks for the present consideration of a resolution which the Clerk will report.

The Clerk read as follows:

House Resolution 68

Resolved, That clause 20 of Rule X be amended by adding the following: "*Provided*, That until March 2, 1927, it shall consist of 16 members," so that it will read: "20. On Mines and Mining, to consist of 15 members: *Provided*, That until March 2, 1927, it shall consist of 16 members."

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none.

The resolution was agreed to.

RESIGNATIONS FROM COMMITTEES

The SPEAKER. The Chair submits two resignations from committees:

JANUARY 4, 1926.

The Hon. NICHOLAS LONGWORTH,
Speaker House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Rivers and Harbors Committee of the House of Representatives.

Very truly yours, WALTER F. LINEBERGER.

JANUARY 4, 1926.

Hon. NICHOLAS LONGWORTH,
Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: I hereby tender my resignation, effective immediately, as a member of the following committees: Elections No. 3, Census, and Insular Affairs.

Very sincerely yours, ALBERT E. CARTER.

The SPEAKER. Without objection, the resignations will be accepted.

There was no objection.

ELECTION OF MEMBERS TO STANDING COMMITTEES

Mr. TILSON. Mr. Speaker, I send a resolution to the Clerk's desk and ask for its immediate consideration.

The SPEAKER. The gentleman from Connecticut asks for the immediate consideration of a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 69

Resolved, That the following Members be, and they are hereby, elected members of the following-named standing committees of the House, to wit:

Walter F. Lineberger, of California, Committee on Naval Affairs.
Albert E. Carter, of California, Committee on Rivers and Harbors.
Florence P. Kahn, of California, Committee on the Census.

Thomas A. Jenkins, of Ohio, Committee on Insular Affairs.

Samuel S. Arentz, of Nevada, Committee on Mines and Mining.

Albert Johnson, of Washington, Committee on Expenditures in the Navy Department.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

CALENDAR WEDNESDAY

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that Calendar Wednesday may be dispensed with in order that the appropriation bill, which is about to be reported to the House, may be allowed to proceed to-morrow.

The SPEAKER. The gentleman from Illinois asks unanimous consent that Calendar Wednesday be dispensed with. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, as I understand, there is really no business on that calendar.

Mr. MADDEN. I think not.

Mr. TILSON. There is one small matter, but I am informed by the members of the committee having it in charge that they will be busy on that day, and they are perfectly willing that it shall go over.

Mr. MADDEN. The Committee on Appropriations can better plan its business if it knows now that it will not be required to cut out to-morrow.

Mr. GARRETT of Tennessee. I think that is quite agreeable.

The SPEAKER. Is there objection?

There was no objection.

SWEARING IN OF A MEMBER

Mr. LEA of California. Mr. Speaker, I ask unanimous consent for the present consideration of a resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from California asks unanimous consent for the present consideration of a resolution which the Clerk will report.

The Clerk read as follows:

House Resolution 70

Whereas JOHN E. RAKER, a Representative for the State of California, from the second district thereof, has been unable from sickness to appear in person to be sworn as a Member of the House, and there being no contest or question as to his election: Therefore

Resolved, That the Speaker be authorized to administer the oath of office to said JOHN E. RAKER at his residence in Washington, D. C.; and that the said oath when administered as herein authorized shall be accepted and received by the House as the oath of office of the said JOHN E. RAKER.

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none. The question is on agreeing to the resolution.

Mr. GARRETT of Tennessee. Mr. Speaker, I would like permission to speak for a minute or two on the resolution, in view of the fact it is a very unusual procedure. There is, however, precedent for it, as was found by the Speaker and myself in an investigation made yesterday afternoon. Mr. RAKER, it should be distinctly understood, is in the city of Washington now, confined to his room by illness and physically unable to attend upon the sessions of the House; but he is within the city, and upon being sworn in can, of course, present measures that he would desire to present in the House of Representatives in order that they may go before the proper committees.

I want to say further, Mr. Speaker, that the precedents we found yesterday afternoon go even further than the swearing in of a Member who is in the city. I have not a matured opinion upon it, but my first impulse about that is that it would be a mistake to follow the precedent made in those particular cases of two Members who were permitted to take the oath before some official in their States and file them here with the Speaker to be accepted by the House as the oath. I think that is an error. I think every Member of the House of Representatives ought to take the oath before the Speaker, and it should be administered by the Speaker; but I see no harm that can possibly flow from the adoption of this resolution, and, upon the contrary, I can see where it is very proper that it should be done, to the end that the district may have its representation.

The SPEAKER. The question is upon agreeing to the resolution.

The resolution was agreed to.

CHILD-LABOR AMENDMENT

Mr. GRAHAM. Mr. Speaker, I desire to call up House Resolution 40, House Calendar No. 1, a resolution requesting certain information of the State Department.

The SPEAKER. The Chair would like to ask the gentleman if that is by direction of the Committee on the Judiciary?

Mr. GRAHAM. Yes; it has been reported unanimously by the Judiciary Committee.

The SPEAKER. The gentleman from Pennsylvania calls up a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 40

Resolved, That the Secretary of State be directed to transmit to the House of Representatives a statement showing what States have through their respective legislatures, as certified to his office, taken action upon the proposed amendment to the Constitution of the United States authorizing the regulation of the labor of persons under 18 years of age by the Congress, and what such action has been, giving in each instance, where available, the votes in the several legislatures that have acted.

Mr. HUDDLESTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HUDDLESTON. Is the resolution in order? Is it a privileged resolution?

The SPEAKER. The Chair thinks it is a privileged resolution. It merely requires a statement of fact without the expression of opinion or conclusion.

Mr. LAGUARDIA. Mr. Speaker, will the chairman of the Judiciary Committee enlighten the House as to the purpose of this resolution?

Mr. GRAHAM. The purpose of the resolution is to get the information asked for and to get certain facts.

Mr. LAGUARDIA. Will the gentleman yield further?

Mr. GRAHAM. I will.

Mr. LAGUARDIA. Is not the action of the legislatures of the various States a matter of public record which is pretty well known to the Members of the House? And may I ask the gentleman whether it is the purpose in asking for this information of the Secretary of State that it is to be followed by any action on the part of the committee?

Mr. GRAHAM. Not that I know of. The resolution was introduced by the gentleman from Tennessee [Mr. GARRETT]; and if the gentleman wants to ask him any further questions as to the purpose or motive, he may do so.

Mr. EDWARDS. I would like to ask the gentleman a question, if the gentleman will yield.

Mr. GRAHAM. Yes, sir.

Mr. EDWARDS. Does the department decline to give this information without a formal resolution from the Congress?

Mr. GRAHAM. No; but in order to get it on the records of the House this is the only method that can be pursued.

Mr. HUDDLESTON. Will the gentlman yield?

Mr. GRAHAM. I will.

Mr. HUDDLESTON. May I ask what explanation was given for presenting this resolution, and is this all the gentleman is going to say about it? Are we not to be told anything about it at all?

Mr. GARRETT of Tennessee. Mr. Speaker, if the gentleman will yield to me I have no objection to telling the gentleman.

Mr. HUDDLESTON. Certainly the House is entitled to be treated with some measure of consideration and to be advised of some intelligent reason why we should do a thing of this kind, which so far as I know there is no precedent for. I know it is not the custom.

Mr. GARRETT of Tennessee. If the gentleman will permit, I think the gentleman from Alabama is quite correct in saying there should be an explanation, and as the introducer of the resolution I am perfectly willing to give it. There is no statement in compact form anywhere so far as I know showing the action that has been taken by the different States since the Congress submitted this proposed amendment. I do not myself know how many States have rejected and how many States have ratified. I think it is quite proper that we should have, and put in the RECORD where it will be available for public information, a statement showing the States that have acted upon it.

Mr. HUDDLESTON. Will the gentleman from Tennessee yield?

Mr. GARRETT of Tennessee. I yield.

Mr. HUDDLESTON. Is there precedent for this action?

Mr. GARRETT of Tennessee. Yes; I think so. I am not quite sure there is, but it certainly is not establishing a harmful precedent.

Mr. HUDDLESTON. The gentleman is advised, of course——

Mr. GARRETT of Tennessee. Does the gentleman see any objection to having this done?

Mr. HUDDLESTON. I shall not take up the time of the House to express my reaction to it, but I suggest to the gentleman that he is, of course, advised that there are numerous outstanding proposals to amend the Constitution which have not been ratified by a sufficient number of legislatures. I myself know of no reason why this particular amendment should be pointed out and information called for as to it when we have not asked for anything of the kind with reference to the others. The gentleman is opposed to the child-labor amendment.

Mr. GARRETT of Tennessee. Yes; the gentleman is opposed to this amendment.

Mr. HUDDLESTON. The gentleman is violently opposed to this amendment, and this proposal which the gentleman makes is not in the interest of advancing the amendment and getting it adopted.

Mr. GARRETT of Tennessee. I do not wish to advance the amendment or get it adopted.

Mr. HUDDLESTON. Does not the gentleman take this action for the purpose of having a harmful effect on the amendment?

Mr. GARRETT of Tennessee. No; that is not within my thoughts.

Mr. HUDDLESTON. Or for the purpose of doing something which will tend to keep it from being adopted?

Mr. GARRETT of Tennessee. That is not within my thought, but I am very much opposed to the amendment.

Mr. HUDDLESTON. Then will not the gentleman tell us what the real purpose is?

Mr. GARRETT of Tennessee. The purpose is to get accurate information upon it and put the information in the CONGRESSIONAL RECORD, where it will be available to the public for their information.

Mr. HUDDLESTON. What difference does it make? What effect is it going to have? What is the gentleman seeking to accomplish? Let us have a show-down about it.

Mr. GARRETT of Tennessee. I am seeking to get the information. Does the gentleman know how many States have rejected?

Mr. HUDDLESTON. I do not.

Mr. GARRETT of Tennessee. I do not, either.

Mr. HUDDLESTON. But it does not make any difference so long as an insufficient number have not approved it. I will say to the gentleman in all frankness that I feel there is an effort here to create propaganda against the amendment and to do something that will make it harder to get it ratified. If that is not the real purpose of it, let somebody come out in the open and tell us what it is. If that is the real purpose, the House is entitled to know it.

Mr. BLANTON. Will the gentleman from Pennsylvania yield in order that I may ask a question?

Mr. GRAHAM. I will.

Mr. BLANTON. May I ask the gentleman from Tennessee if the legislatures of the various States have already acted upon this proposed amendment and killed it, is it not time we were letting the people of the Nation know about it so that this agitation shall stop? That is my idea about it. I agree with the gentleman from Tennessee [Mr. GARRETT].

Mr. HUDDLESTON. Will the gentleman yield further?

Mr. GRAHAM. For a question.

Mr. HUDDLESTON. I want to make a statement of about a minute. The gentleman from Pennsylvania is a lawyer and a good one.

Mr. GRAHAM. I am not sure of that. [Laughter.]

Mr. HUDDLESTON. Does not the gentleman know that it is not possible for legislatures to kill an amendment. Amendments can not be killed by legislatures, and there is nothing to prevent any legislature reconsidering its action and ratifying the child labor amendment. Is not that true?

Mr. GRAHAM. This amendment, in my humble judgment, stands in a very peculiar position. Unlike other amendments floating around, this one has been acted upon by much more than a majority sufficient to kill it, but nobody knows exactly what the status is.

Mr. HUDDLESTON. The gentleman misses my point. Is it not a fact that negative action by legislatures does not kill an amendment? Now, my question to the gentleman from Pennsylvania is this: Is it not true that a negative action on the part of a legislature has no effect, and that there is nothing to prevent the same legislature from subsequently reconsidering its action and ratifying the amendment? Is not that the law?

Mr. GRAHAM. I think the gentleman is right.

Mr. HUDDLESTON. Then the gentleman from Pennsylvania answers in an indirect way that you can not kill by action of legislatures an amendment. Is not that true?

Mr. GRAHAM. As I understand it.

Mr. GARRETT of Tennessee. If the gentleman from Pennsylvania will yield, may I say to the gentleman from Alabama that within limits the gentleman's statement is correct as to the status of the law. The Supreme Court of the United States has held that ratification is action to be had within a reasonable time and without defining what the reasonable time is. I have no doubt that it is within the power of the legislature of any State that has acted on the amendment adversely to reconsider its action and act favorably, if it chooses to do so within the next year or two, for I imagine the Supreme Court would hold that was within a reasonable time.

Mr. BARKLEY. Will the gentleman yield?

Mr. GRAHAM. I will.

Mr. BARKLEY. Will the adoption of this resolution, if it is acted upon by the State Department in a report to Congress that the amendment has been acted upon by a certain number of States, and that no number equal to a majority have ratified it—will the official notice from the State Department to this Congress that that has been done have any effect on the right of any State to reconsider its action if it should desire to do so?

Mr. GARRETT of Tennessee. I do not think so. What is the opinion of the gentleman?

Mr. BARKLEY. I am not sure that I have an opinion now worth while. If the State Department reports back that the amendment has been rejected by a majority of the States, I do not know what the effect might be on the future as to whether that information was final.

Mr. HILL of Maryland. If the gentleman will yield I would like to say that under the existing law, section 205 of the Revised Code, the Secretary of State is authorized to proclaim that an amendment has been adopted but not to proclaim that an amendment has been rejected. The resolution of the gentleman from Tennessee [Mr. GARRETT] is as follows:

Resolved, That the Secretary of State be directed to transmit to the House of Representatives a statement showing what States have through their respective legislatures, as certified to his office, taken action upon the proposed amendment to the Constitution of the United States authorizing the regulation of the labor of persons under 18 years of age by the Congress, and what such action has been, giving in each instance, where available, the votes in the several legislatures that have acted.

The House of Representatives is entitled to this information. Under section 205 of the Revised Statutes which I have just quoted the Secretary of State is directed to proclaim the ratification of an amendment when a sufficient number of States have ratified it, but under section 205 as it at present exists every State in the Union may have rejected a proposed constitutional amendment and the Secretary of State has no power to so proclaim. I therefore on December 7, 1925, introduced House bill 27, a bill to amend section 205 of the Revised Statutes by providing for the proclamation of the rejection of proposed amendments to the Constitution. This bill (H. R. 27) provides as follows:

That section 205 of the Revised Statutes be, and the same is hereby, repealed and reenacted with an amendment so as to read as follows:

"SEC. 205. Whenever official notice is received at the Department of State that any amendment proposed to the Constitution of the United States has been adopted according to the provisions of the Constitution, the Secretary of State shall forthwith cause the amendment to be published in the newspapers authorized to promulgate the laws, with his certificate, specifying the States by which the same may have been adopted, and that the same has become valid to all intents and purposes as a part of the Constitution of the United States; and whenever official notice is received at the Department of State that any amendment proposed to said Constitution has been rejected by the legislatures or the conventions, respectively, of more than one-fourth of the States, the Secretary of State shall forthwith issue a proclamation specifying the States by which the same may have rejected and shall cause the said promulgation to be published in the newspapers authorized to promulgate the laws."

Any amendment to the Constitution of the United States is a matter of the highest concern and the greatest possible importance. If an amendment is adopted, its ratification should be promptly declared. If an amendment is rejected, its rejection should be promptly proclaimed, and there should be no more agitation upon such an amendment until such time as the Congress might deem fit to again propose it, after full debate, for consideration by the various States.

The law as it exists to-day, however, under section 205 permits the proclamation of the ratification of an amendment but does not permit the proclamation of its rejection. My bill, H. R. 27, would correct this condition, but the pending resolution of the gentleman from Tennessee [Mr. GARRETT] in

no possible way operates as a declaration that the so-called child-labor amendment has been rejected. Mr. GARRETT's resolution should be promptly adopted, since the Congress of the United States should have official information as to the present status of the proposed twentieth amendment to the Constitution.

This information is purely for the information of Congress and in no way will affect the status of the amendment.

Mr. GARRETT of Tennessee. It can affect in no way the legal status of the amendment.

Mr. HUDDLESTON. I think the friends of the amendment ought to have some time for discussion. I ask the gentleman from Pennsylvania in all fairness to give the friends of the amendment some reasonable time in which to discuss the matter. Does not that appeal to him as a matter of fairness?

Mr. GRAHAM. I did not suppose it would cause any discussion. It has no effect on the amendment; it is simply to get information to place upon the record for the benefit of Members of Congress.

Mr. HUDDLESTON. So that it may operate against the amendment?

Mr. GRAHAM. No.

Mr. HUDDLESTON. I call upon the gentleman in the interest of fairness to give us some time.

Mr. GRAHAM. How much time does the gentleman want?

Mr. HUDDLESTON. I would like two or three minutes myself.

Mr. UNDERHILL. I would like to ask the gentleman from Pennsylvania a question. I would like to know if there is any way whereby the Congress can decently inter the corpse.

Mr. GRAHAM. I do not know unless it is by an amendment to the Constitution. Amendments go floating around indefinitely for a number of years.

Mr. HUDDLESTON. Then I understand the gentleman will not yield me even two minutes in which to ask him another question?

Mr. GRAHAM. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Speaker, I do not want to debate the merits of the question. I want to take a minute to get a little information before the House which the gentlemen who advocate this resolution are not generous enough to give us. That is this: The Secretary of State has no information as to what legislatures have refused to ratify this amendment. The law does not provide for such information to be furnished to the Secretary of State. The Constitution does not contemplate it, and what, then, is the sense of asking the Secretary of State to tell us something of which he knows nothing, except what we know—and that is to say, such information as we can get from the press?

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman from Alabama yield for a correction?

Mr. HUDDLESTON. Yes; I am glad to grant a little of my time to the gentleman from Tennessee, though I have had such difficulty in wresting it from the gentleman from Pennsylvania.

Mr. GARRETT of Tennessee. I wish to correct the gentleman. There are States that have certified adverse action to the Secretary of State.

Mr. HUDDLESTON. But without legal authority, and such action is purely gratuitous on their part and does not mean anything. The law requires that legislatures which ratify an amendment shall certify that fact to the Secretary of State, and that is all that the law does require. It does not authorize those States which reject shall certify that fact, and it would be foolish to require such a thing, because those legislatures are not bound by the action taken, and are not precluded from ratifying at some time in the future. The gentleman from Tennessee [Mr. GARRETT], therefore, and the learned members of the Committee on the Judiciary are putting us in the attitude of pumping in a dry well. They cause us to ask for information where the information is not. They seek information from the Secretary of State when the Secretary of State has not got it, and by law has no right to have it. And the House by adopting this resolution will stultify itself.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. HUDDLESTON) there were—ayes 195, noes 55.

Mr. HUDDLESTON. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. The gentleman from Alabama demands the yeas and nays. All who favor ordering the yeas and nays will rise and stand until counted. [After counting.] Twenty-nine Members have risen, not a sufficient number, and the yeas and nays are refused.

So the resolution was agreed to.

On motion of Mr. GRAHAM, a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CRAMTON, by direction of the Committee on Appropriations, reported the bill (H. R. 6707, Rept. No. 37) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1927, and for other purposes, which was read a first and second time, and, together with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. CARTER of Oklahoma. Mr. Speaker, I reserve all points of order.

Mr. CRAMTON. Mr. Speaker, it is the purpose of the committee to call this bill up for consideration immediately after the disposition of the resolution from the Committee on Rules, it being understood that there will be nothing but general debate.

Mr. HASTINGS. Mr. Speaker, are the printed copies of the bill available?

Mr. CRAMTON. They are. Printed copies of the bill are available, complete, except for the number of the bill.

Mr. BLANTON. Mr. Speaker, I do not know whether it is in order now, but I shall make a point of order, when the time comes, that the bill must be printed one day before it is called up for consideration.

The SPEAKER. The Chair asks the gentleman from Texas to reserve that until later.

Mr. BLANTON. Very well, but I do not want to waive any rights. We certainly ought to have one day in which to study a bill after it is introduced.

Mr. CRAMTON. Mr. Speaker, the committee is simply trying to serve the convenience of the House. As I have stated, there will be no consideration of the bill to-day other than general debate, and as the gentleman knows, general debate is not always directly connected with the bill.

Mr. BLANTON. But the gentleman from Texas likes to attend the general debate, and when he is doing that, he can not very well study the bill.

Mr. CRAMTON. Oh, I sometimes miss general debate without very great loss. [Laughter.]

DEMOCRATIC GOVERNMENT IN THE PHILIPPINES

Mr. DYER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address delivered by Sergio Osmena, president pro tempore of the Philippine Senate and special representative of the Philippine Legislature to the United States, which was delivered before the University of Michigan, at Ann Arbor, Mich.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. DYER. Mr. Speaker, in accordance with the unanimous consent of the House granted me to-day, I append hereto a lecture on "The Problem of Democratic Government in the Philippines," delivered December 14, 1925, before the faculty and student body of the University of Michigan, Ann Arbor, by the Hon. Sergio Osmena, president pro tempore of the Philippine Senate and special representative of the Philippine Legislature to the United States. This lecture, while touching only the salient points of this subject, is a comprehensive study of constitutional development in the Philippines from the beginning of American occupation. It discusses the relations between the executive and the legislative power in the Philippines in a judicial, calm, and restrained spirit. An eminent member of the faculty of the University of Michigan that heard the lecture said, "It does not appeal to emotion but to the latest and most generally accepted principles of political science—it appeals to reason and to the kind of reasoning that should be effective with thinking Americans." As a well thought out and thoroughly grounded exposition of our Philippine policy, it should command the keen interest of the Members of the Congress, especially if legislation concerning that possession of ours is to be considered. I ask you, therefore, to peruse this document when it shall have been printed in the RECORD.

THE PROBLEM OF DEMOCRATIC GOVERNMENT IN THE PHILIPPINES

Lecture delivered by the Hon. Sergio Osmeña, president pro tempore of the Philippine Senate, and special representative of the Philippine Legislature, before the University of Michigan, Ann Arbor, Monday, December 14, 1925

The continued occupation of the Philippines by the United States after the termination of the war with Spain could not be easily

justified before the conscience of this great Republic. Dedicated to liberty from the very first moments of its existence it has consecrated its best efforts to the upholding of the right of nations to trace out for themselves their own destiny. To vindicate this right and in pursuance of humanitarian purposes war was declared—a war which placed Cuban territory under the protection of the Stars and Stripes—and because America emerged triumphant Cuba obtained her independence.

When on the signing of the treaty of peace which disposed of not only the fate of Cuba, but also that of other Spanish possessions, America decided to remain in the Philippines, the moral justification which she gave to the world was the desire to liberate the Filipinos from misgovernment and oppression, and to secure to them the privileges of self-government. According to the testimony of Doctor Schurman, the chairman of the first commission sent to the Philippines, the supreme consideration which moved President McKinley, and which so touched the fibers of sentiment of American hearts as to induce them to give active support to his administration was not selfish but humanitarian; "* * * it was not the vanity of self-aggrandizement; it was not the greed of power and dominion; no, no, not these; but altruism, caring for the happiness of others, philanthropy relieving the Filipinos of oppression and conferring on them the blessings of liberty."

The immediate problem which the United States had to face when she decided to remain in the Islands was the establishment of a democratic government in which the Filipinos would have the greatest participation possible. As the Schurman commission stated in a proclamation, "The most ample liberty of self-government will be granted to the Filipino people which is reconcilable with the maintenance of a wise, just, stable, effective, and economical administration of public affairs and compatible with the sovereign and international rights and obligations of the United States." Using the words of the statesman mainly responsible for American occupation of our country, the authority of the United States has been established in the Philippines "not to exploit but to develop, to civilize, to educate, to train in the science of self-government." The American people were to be the bearers "of the richest blessings of a liberating rather than a conquering nation," and it was their purpose "to make them—the Filipino people—whom Providence has brought within our jurisdiction feel that it is their liberty and not our power, their welfare and not our gain we are seeking to enhance." These declarations were not only confirmed but strengthened by the successors of President McKinley and, above all, by the congressional enactment which gave to the Filipinos an autonomous government as preliminary to complete independence.

Despite these declarations of altruistic purposes, the establishment of the new régime could not be effected without serious resistance. In the midst of war the government necessarily had to be of a military character, in which executive, legislative, and judicial powers were concentrated in one head, although the exercise of his functions could, if he so desired, be delegated to different persons or entities.

It is to the credit of the American military commanders of the time that it is possible to say of them that they considered extremely dangerous a government of concentrated powers without the intervention of the people, and that they desired to establish, even in the midst of armed resistance, the foundations of civil institutions. Filipinos were called upon to make recommendations regarding a system of municipal government which would be popular and eminently democratic. This system was immediately instituted in the towns occupied by American military forces. In the judicial branch, in which many Filipinos had distinguished themselves during Spanish rule, native judges and magistrates were appointed. The best-known native jurist was placed at the head of our highest tribunal of justice. The public schools, the basis of order and progress, also received immediate attention. The Filipinos will never forget the inspiring spectacle of American soldiers leaving their guns and, as emissaries of peace and good will, with book in hand, repairing to the public schools to teach Filipino children the principles of free citizenship. Thus, in the earlest period of the military régime, when it would have been easy to find legalistic grounds for governing the Filipinos by pure force, there was established, as far as possible, the milder sway of civil government. Instead of excluding the natives from the government, against which the people were still in open rebellion, the representatives of the United States considered it a duty to enlist their cooperation and to listen to their counsel.

This cooperation became more manifest after the inauguration of civil government in July, 1901. Native resistance having been weakened by the fall of the government of the Philippine Republic and the surrender of many native military chieftains, President McKinley sent to the Philippines a second commission under the presidency of Mr. Taft to exercise civil powers—powers exercised up to then by the military commander—and to offer to the Filipino people a practical illustration of the kind of government they would have under American sovereignty once peace and tranquillity had been secured.

In his instructions to this commission President McKinley expressly prescribed, with reference to popular participation in the government, "that in all cases the municipal officers who administer the local affairs are to be selected by the people, and that whenever officers of more extended jurisdiction are to be selected in any way natives of the Philippine Islands are to be preferred, and if they can be found competent and willing to perform the duties they are to receive the offices in preference to others."

Following these instructions, the Taft Commission organized the Philippine government by the enactment of a municipal code in which local autonomy was granted to the natives, and of a provincial code by which considerable popular participation was granted in the government of the provinces; by the organization of a civil service in which, under equal circumstances, the natives, it was declared, would be given preference over Americans; by the establishment of different offices charged with governmental activities, such as the constabulary, public works, sanitation, and the insular treasury; and, finally, by the creation of four executive departments. In the establishment of local governments the commission followed, as far as possible, the same administrative divisions which had been in existence since ancient times. The "Barangay," a primary unit of local government which antedated the Spanish conquest and which the Spaniards recognized, was in essence equally respected.

One year after the Taft Commission had entered upon the exercise of its legislative labors three Filipinos of the conservative group were appointed to its membership in order to give representation to the natives. It was not then possible to appoint members of the radical elements because these were either still in open rebellion or unwilling to accept office. But the first three Filipinos in the commission undoubtedly served public interest to the best of their ability under those circumstances and acted as advisers of the Governor General and the commission in many administrative matters and especially those referring to the appointment of Filipinos to governmental positions.

The government established at that time, although inspired by North American constitutional principles, was not strictly the American type in the sense that it was an exact copy of the Federal Government or of the government of any of the States in the Union. For example, in the Federal Government or in that of the States the Chief Executive as well as the members of the legislature are elected by the people, while in the Philippine Government of that period such officials were appointed by the President of the United States. In the Federal Government and in that of the States members of the legislature do not occupy executive positions, while in the Philippines not only was that not the case but there was express arrangement that the civil governor, who was the chief executive, and the departmental secretaries who formed his cabinet were to be at the same time president and members of the legislative commission. This system, recommended by the Schurman commission, was similar to that adopted by Congress for organization of the successive Territories of the Union. Its immediate model was the legislation enacted for Louisiana at the time of Jefferson. Its more remote source was the colonial type which existed previous to the Revolution. It is well to note the fact that in the government headed by Mr. Taft, which President Roosevelt characterized in a message to Congress as a constitutional government, what the defenders of the presidential system termed the complete separation of powers did not exist, as it did not in the form of government first applied to American Continental Territories or during the colonial period. Neither did the separation of powers obtain in the English Government at the time of Blackstone, whose works influenced to no small degree the fathers of the American Constitution. And the experience of this country for a century and a half has shown the necessity of discovering methods for securing cooperation between the executive and legislative branches of the Government. Leaving aside the question whether or not the separation of powers is really characteristic of the American constitutional system, it is certain that it was never applied in the Philippines as it has been in the United States.

The truth is that it was never the thought of the United States in establishing her authority over the Philippines to Americanize the Filipino people or their institutions. With all their defects, and there is no civilization or human institution without them, there existed in the Philippines on the arrival of the Americans a Christian and progressive civilization. Her inhabitants had been accustomed for centuries to a government of law and order. Americans did not propose to destroy that civilization, but to preserve and improve it. Schurman, the precursor of civil government, the American who made a thorough investigation of the islands and on whose reports America's policy was based in large part, rejected as impossible the idea of Americanizing them. (J. G. Schurman, Philippine Affairs.) The primordial thought was to organize a native government which would not necessarily be a copy of the American constitutional system. Let us recall what President McKinley said to the second commission. "In all the forms of government, in the administrative provisions which they are authorized to prescribe, the commission should bear in mind that the government which they are establishing is designed not for our satisfaction or for the expression of our theoretical views, but for the happiness, peace, and prosperity of the people of the Philippine Islands, and the measures adopted should be made to conform to their

customs, their habits, and even their prejudices to the fullest extent consistent with the accomplishment of the indispensable requisites of just and effective government."

In the discharge of his official duties, as well as in his dealings with the Filipinos, Governor Taft—and the same may be said of those who succeeded him in office—insisted emphatically that the government which had been established was for the benefit of the Filipinos, and that as they demonstrated ability to exercise political power they would be given increasing participation in the government.

The famous doctrine "The Philippines are for the Filipinos," which characterized the Taft administration, was insistently and openly proclaimed in spite of the opposition of the great majority of Americans in the Philippines. These, quite a number of whom had come with the expeditionary troops, asked for a "strong" government, which would aim principally at the prosperity of American interests in the Philippines. Taft disregarded the severe criticisms of his fellow countrymen and continued his work with vigor, defending his doctrine, in the realization of which, according to him, "was involved the honor of the United States." (W. H. Taft, The Duty of Americans in the Philippines, December, 1903.)

The government by the commission continued until October, 1907, the date of the inauguration of the first elective national assembly under American rule, and from that time the national lawmaking body was composed of two chambers, the commission or the upper house and the assembly or the lower house. The establishment of the assembly was a logical and decisive step in the development of popular government. Until then the Filipino people did not have real representation in the legislature, because although there were three Filipinos in the commission these did not hold office by the suffrage of the people, but by appointment from the authorities in Washington. Thereafter there was participation by the representatives of the people in the preparation and approval of the laws, and those representatives constituted in law a power equal to the commission, at least in the affairs concerning the Christian population of the islands.

The concession of a legislative assembly was not brought about without effort. During and after the American-Philippine conflict many accusations were launched against the leaders of the Philippine Republic and against the Filipino people. None had more serious results than that which was repeated for years against the national unity of the Filipino people. This accusation which never had any foundation in fact created a profound impression among American governmental authorities and made congressional approval of the idea of an elective assembly difficult to obtain. But finally there was incorporated in the law through the efforts of Representative COOPER, chairman of the Committee on Insular Affairs of the House of Representatives, the provision recommended by Mr. Taft. The assembly was established during the administration of President Roosevelt, who attached great importance to this step. These were his words: "We are endeavoring to develop the natives themselves, so that they shall take an ever-increasing share in the Government, and as far as is prudent we are already admitting their representatives to a governmental equality with our own. If they show that they are capable of taking a sane and efficient part in the actual work of the Government, they can rest assured that a full and increasing measure of recognition will be given them."

The assembly was organized in 40 minutes. Although it adopted substantially the rules of the House of Representatives of the Fifty-ninth Congress, the changes introduced from the very beginning foreshadowed some of its tendencies. There was then being formed in the United States that opposition which later produced an uprising against the system that permitted the Speaker to exercise control over the affairs of the House through the chairmanship of the Committee on Rules which he occupied. From the first day of the Philippine Assembly the Speaker never presided over the Rules Committee. On the contrary, the conduct of business was given to a committee under the chairmanship of another member of the Assembly.

In the rules of the House of Representatives of the Fifty-ninth Congress there were various committees which dealt with appropriations and one Committee on Ways and Means. In the rules of the Philippine Assembly provision was made for one appropriations committee composed of 25 members, most of whom were chairmen of other committees. The work of the Philippine Assembly during its inaugural session was received by the American Government with satisfaction. The Governor General congratulated the legislature in the following terms:

"The work which has been done by the Philippine Assembly at its inaugural, first, and special sessions of the first legislature has exceeded all expectations, and it must be eminently gratifying to the assembly and the people whom they represent that there has been such a happy realization of all that has been expected of them, those constituting the first representative legislative body that has ever existed in the Philippines."

Mr. Taft, then Secretary of War, who was present at the inauguration of the Assembly, returned to the United States with the report (Special Report to the President or the United States) that that body was functioning normally. President Roosevelt transmitted to Congress this report of the Secretary of War in which a thorough review was made of conditions in the Philippines and the policy followed by the United States. In a subsequent message to that body, he expressed himself in this fashion (Message to Congress, 1908): "Hitherto this Philippine Legislature has acted with moderation and self-restraint * * * the Filipino people with their officials are therefore making real steps in the direction of self-government. I hope and believe that those steps mark the beginning of a course which will continue until the Filipinos become fit to decide for themselves whether they desire to be an independent nation."

Contrary to the prognostications of certain prophets who had anticipated all kinds of disaster for the government and for the country by the establishment of the assembly, which they considered premature, the normal progress of the government continued, relations between the commission and the assembly, on one side, and these two chambers and the executive, on the other, were harmonious, and the public business obtained prompt and appropriate consideration. This was due mainly to the full comprehension by the Filipinos of their public responsibility and the rôle which they were to play in the government of their country; but a great contributory factor toward this satisfactory result during the period of the assembly was the circumstance that there were placed at the head of the government able men with open minds and liberal sentiments, men, in short, who immediately comprehended that their duty was to aid the assembly in order that the latter could function freely, with dispatch, with all the attributes and responsibilities of a co ordinate branch of the Legislature. It would have been easy for them and for the commission to place difficulties in the way of the assembly. A rupture with the latter would not have obstructed the routine functioning of the government. But they did not do so. The disagreements that occurred over appropriations and other matters did not break the amicable relations which existed between the two chambers.

Responding to this course of action, the assembly cooperated as far as possible with the commission and the Governor General, and was an efficient instrument in the development of self-government in the Philippines and the adoption of progressive legislation. The first law enacted was an appropriation of ₱1,000,000 for the construction of rural primary school buildings—a measure which effectively silenced those who had prophesied destructive policies on the part of the Assembly.

The first allotments of funds for interprovincial roads were made, thereby establishing what is popularly termed the "politica de Carreteras" (good-roads policy). Our first State university of the American type was established. And, unfolding a comprehensive plan of progressive legislation, there was undertaken the reform of old and enactment of new laws of economic, social, or administrative character, such as those referring to municipal or provincial governments, sanitation, public order, normal and higher schools, land registration, production, economics and finance, and relating to conciliation of capital and labor.

The success of the assembly justified in the eyes of the American Government the next step forward made by President Wilson[1] in 1913 in giving the Filipinos control of the Commission, by which was realized the plan of Filipinization announced previously by President McKinley and later confirmed by President Roosevelt, when he spoke of transforming the Philippine government as soon as possible from a government of Americans aided by Filipinos to a government of Filipinos aided by Americans. With a native majority in both houses of the Legislature, political control of the government passed into the hands of the Filipino people. It is true that there was still the Governor General, an official appointed by the United States, who exercised control over the executive departments, but the power to chart the policy of the government which belonged to the legislature

[1] This step was formally announced in his message to the Filipino people, which reads as follows:

"We regard ourselves as trustees acting not for the advantage of the United States but for the benefit of the people of the Philippine Islands.

"Every step we take will be taken with a view to the ultimate independence of the islands and as a preparation for that independence. And we hope to move toward that end as rapidly as the safety and the permanent interests of the islands will permit. After each step taken experience will guide us to the next.

"The administration will take one step at once and will give to the native citizens of the islands a majority in the appointive commission, and thus in the upper as well as in the lower house of the legislature a majority representation will be secured to them.

"We do this in the confident hope and expectation that immediate proof will be given in the action of the commission under the new arrangement of the political capacity of those native citizens who have already come forward to represent and to lead their people in affairs."

had been taken out of the hands of the Chief Executive. And not being elected by the people and not being the head of the party which had control of the Legislature, his position was so delicate that he could hope to succeed only by gaining the confidence and obtaining the counsel of the leaders of the people.

The man who in that stage of constitutional development of the Philippines was at the head of the executive department understood that the duty of cooperating with the Filipinos in the management of their government was more imperative than before. This duty was performed. The new concession was an important step by which the sense of responsibility and political preparation of the Filipinos were again put to the test. President Wilson took this step because he had faith in the capacity of the Filipino people. And, anticipating the success of the measure, he announced that other steps would be taken "with a view to the ultimate independence of the islands and as a preparation for that independence."

As in the past, prophets of disaster arose and predicted days of gloom. Thus, again, a measure was characterized as premature. But the entire administration, as one man, faced the situation with courage and the Filipinos again emerged triumphant in the experiment. Constructive laws were approved without a single instance of disapproval by the Congress of the United States. The most complete harmony characterized the relations between the Executive and the Legislature. The positions left by the Americans who retired from the service were given to Filipinos, following in this way the process of Filipinization announced 16 years previously by President McKinley and adhered to by his successors. Mindanao, our great island to the south, which had always been under military rule, was transferred to the jurisdiction of the civil authorities and never, as during that régime, was the reign of peace more complete or were the relations between Christian and non-Christian Filipinos more cordial. The Philippine Legislature during that period voted ₱1,000,000 for the expansion of the schools in Mindanao and other places inhabited by non-Christians. (Special Report, December 1, 1915, of Brig. Gen. Frank McIntyre, Chief, Bureau of Insular Affairs.)

The success of the plan of an elective assembly and a Filipino majority in the appointive commission prepared the way for new advances in the field of self-government. In 1916 Congress approved the act commonly known by the name of its author, Representative Jones, of Virginia. This law contains two essential points—an explicit promise of independence and the concession of autonomy in domestic affairs as a logical step toward fulfillment of that promise. The pledge of absolute independence, as it appears in the preamble of the law, was a compromise between the radicals in Congress who desired immediate independence (the Clarke amendment) and the conservatives who were not in favor of a specific promise of independence. But if during the discussion of the law opposition was registered against the promise of independence, that was not the case with regard to the matter of granting internal autonomy to the Filipinos. Democrats as well as Republicans thenceforth found complete justification for the step which gave to the Filipinos control of their internal affairs, thus giving in this manner the greatest emphasis to the policy announced by President McKinley from the very beginning.

Autonomy was secured by conceding to the Filipinos an elective legislature vested with general and broader legislative powers. If the two organic laws for the Philippines approved by Congress on July 1, 1902, and August 29, 1916, are compared, it will be seen that the new legislature, wholly Filipino, enjoys powers which the preceding legislature composed of the commission and the assembly did not have. The most important of these new powers is the authority to organize executive departments. Under this authority the Philippine Legislature may make or unmake the executive departments, change their designations, prescribe the powers and duties of each, and determine the process of appointment and removal of department heads by the Governor General.

The most serious difficulty encountered by the Filipinos in the reorganization of the executive departments under the new law was how to secure the unity of action necessary for the efficiency and stability of the new government. When there was only one representative body, the assembly, its speaker was spontaneously recognized as the leader of the Filipinos in the government and the authorized interpreter of popular aspirations. Now that instead of one there were three agencies which represented the people, the senate, the house of representatives, and the cabinet, the great need was the coordination of these instrumentalities so that the unity of action so essential in a government could be possible.

In the conferences held by the majority party of the legislature various propositions were discussed. Some declared frankly in favor of a parliamentary system, while others desired strict application of the presidential type of government. It was discovered, after some discussion, that neither the one form nor the other ought to be followed. The objection to the parliamentary form lay in the fact that in those States where the system operates most successfully the executive possesses the power to dissolve the legislature, and this authority was not given by law to the Governor General. The members of the legislature under the Jones Act held office for a fixed term. Without the counterbalancing power of appealing to the people through dissolution of the legislature, the right to cause changes in the cabinet through an adverse legislative vote would be exercised in a reckless and irresponsible manner. On the other hand, if the rigid presidential type were applied with its complete separation of powers, the Philippine Legislature being elected by the Filipino people and the chief executive appointed by the President of the United States, conflicts between those two powers would be probable and effective government wanting.

The very fact that the office of the Governor General is not elective is in itself an argument against the application of the presidential system in the Philippines. In that system, the chief executive being chosen by the nation and being the leader of the party with a majority in the legislature, is responsible, together with his party, for administration as well as legislation. His position within the party and in the country enables him to coordinate the powers of government and make them move together in harmony. A separation of powers therefore is more nominal than real. In practice there is less of separation and more of real unity of action resulting from a common responsibility to the people.

In the Philippines this separation would have been complete and effective and, as there would be no way of holding the two powers to a common responsibility, disagreements would hamper the efficient conduct of government. In that case its organs might have functioned mechanically. But, lacking the unity of spirit which is the secret of a good constitutional system, the prompt adoption of measures required by the public welfare would not have been assured. Not only would the progress of the government have been paralyzed, but also the constant friction would have produced the impression of a lack of stability, a situation which would have been fatal under the Jones law and which is unfortunately the experience of other countries in which the executive and legislative departments were completely separated. So it was with revolutionary France, where a series of constitutions based on Montesquieu's separation of powers successively failed. Constitutional stability was not attained until the necessary connection between the powers of government was provided for in the constitution of 1875. A similar adjustment is now a common feature of European constitutions. Again, in the Latin-American Republics conditions of instability were acute so long as the executive and legislative departments were kept separate. No improvement was noted until provision had been made for the necessary connection between these two powers. (H. T. Ford, "Representative Government.")

The formula conceived by those responsible for the new organization of the executive departments was one which, without being incompatible with the provisions of the Jones law, differed in some respects from the presidential form. In the first place it was decided, in order that the currents of public opinion as far as possible may be felt in the Cabinet, that the department secretaries should be appointed, not simultaneously with the appointment of the Governor General by the President of the United States but after the organization of each legislature. The department secretaries are to hold office not indefinitely, but during the term of the legislature at the opening of which they were appointed. The secretaries are given complete responsibility in the administration of their departments, subject to the supervision of the Governor General. Instead of keeping them distant from the legislature under the specious pretext that thus would the independence of the legislature be better preserved, it is provided that they may appear before either house to be heard on matters affecting their departments and that each chamber may also request them to appear to give information regarding those matters. They are united with the leaders of the legislature in one body, the council of state, presided over by the Governor General, in order that instead of dispersion and antagonism there may be harmony in the government, that at all times a collective and responsible counsel emanating from the people may be available, and that the government may move with all efficiency. In the widest development of this system the leaders of the legislature would sit with the Governor General as members of his cabinet. There is nothing in the Jones law which prohibits this step; it would be in accord with constitutional precedents in the Philippines. It would secure the closest harmony between the executive and legislature, and it would give to the initiative and recommendations of the former in matters of legislation the weight which they would necessarily lack if the executive were to be kept apart from the representatives of the people. In such case it might then be desirable to consider a readjustment of the present system, so that the presiding officers of the two chambers would no longer be political leaders but merely judicial officers charged with guiding the debates according to legislative rules.

The working of this system of government as outlined above was highly satisfactory. During the period in which that system worked in its entirety the administration was normal, democratic, and effec- frank cooperation. The Executive understood the true rôle and the Legislature, which constitute the touchstone of all representative government but especially so in the Philippines, being based on mutual understanding, remained normal and harmonious. The recommendations or suggestions of one were received by the other in a spirit of frank cooperation. The executive understood the true rôle and the

responsibility of the legislature and vice versa. He did not surrender his constitutional powers to the legislature, but neither did he invade those of the latter. Both viewed all matters submitted to their consideration exclusively from the point of view of the welfare of the Filipino people. Consequently the government as a whole could conceive, formulate, and realize constructive programs needed under the circumstances in the social order as well as in the economic and the administrative. There was established for the first time a budgetary system by which was assured the formulation of an annual fiscal policy based on a scientific examination of the income and expenditures of the government. This is not the occasion to speak even in summary fashion of the extensive legislative labor covering all kinds of activities, from the allotment of ₱30,000,000 for a vast program of educational extension to the concession to the provinces and municipalities of the authority necessary to issue bonds for public works; from the organization and financing of national companies for the development of our undeveloped natural resources to the creation of the bureau of commerce and industry for the purpose of fostering domestic and foreign commerce; from the establishment of the office of public welfare with all its new activities, especially for the reduction of infant mortality, to the adoption of measures leading toward the increase of our food production; and from the creation of the Philippine militia as a means of national defense to the transformation of the government of the province of Mindanao with a view to making them a part of the general administrative system of the archipelago.

But where the spirit of cohesion and unity of that government and the fact of its being in complete harmony with the wishes of the people can best be seen is in those measures taken on the entrance of the United States into the World War, and in the attitude of the Filipinos toward the American people in those difficult circumstances. The Filipinos not only responded liberally to every call for financial or humanitarian aid made by the American Government but they also voluntarily offered men and materials of war. The Philippine Government assumed the responsibility of maintaining public order throughout its territory, and the United States was thus enabled to withdraw her troops from the Philippines so that they may be sent to the theater of war. Her flag was kept flying in the Philippines under the safeguard of the affection of 12,000,000 Filipinos. The latter went further. Through a supreme impulse of loyalty they ceased to mention the word "independence" throughout the duration of the war, confident as they were that the entrance of the United States into the conflict meant the victory of liberty and democracy in all parts of the world. (Reply of Secretary of War Baker to the Philippine Parliamentary Mission, April, 1919.)

It is interesting to examine the position of the Governor General in our government under the Jones law. He has ceased to be the chief executive of the military régime in whom were vested or from whom emanated all the powers of government. No longer is he the chief executive of the days of the commission when, besides being Governor General, he presided over the upper house with a controlling majority in that body. Neither is he the Governor General of the later and more liberal era (1913–1916) in which, without having a majority in the commission, he continued nevertheless to be a member of it and occupied no less a position than president. The chief executive no longer presides over the upper house. He has the veto power, but two-thirds of the vote of the senate and house of representatives may override it and place the vetoed measure in the hands of the President of the United States. He exercises supervision and control over the executive departments, but can not appoint anybody he pleases to positions in those departments without following the requirements of the law and obtaining the advice and consent of the senate.

If we examine the nature of the office in the light of these constitutional precepts and the evolution effected by those democratic ideas, which have been the soul of the political institutions established by the Americans in the Philippines, we can not escape the conclusion that the Governor General no longer has the responsibilities which he previously had. The power of administrative supervision and of veto has been given to him to safeguard the rights of sovereignty and the international obligations assumed by the United States. But if they be well understood, these powers have more of a negative than positive character. It is not expected of him that he should frame the policy of the whole government, because that task is assigned to the legislature, and he is excluded from membership in the legislative body. His rôle is that of a man of lofty character with great moral prestige, beyond the reach of local partisanship, placed by the government of his country to guard impartially the integrity of the representive régime already established, and to see that the law promulgated by the representatives of the people is faithfully executed. In acting thus, he will be a salutary influence, capable of bringing together the different parts of the government and promoting efficient and wise administration.

This position of the Governor General has not changed in the least the authority, the responsibility, and the essence of American sovereignty in the Philippines. That sovereignty exists as fully as before. The legislature can not enact laws in conflict with the Jones law because the courts will declare them unconstitutional. Every bill or joint resolution, to take effect, must be approved by the Governor General. The law even after approval by the Governor General may yet be annulled by the American Congress. It is clear, then, that the rights of sovereignty have remained intact. What has happened is an increase in the local power given to the Filipino people and a corresponding decrease, naturally, in the powers of the local representative of the American Government. The aim of the present organic law is to grant us autonomy, while that of the former one was to prepare us for autonomy.

The Jones law can not be correctly interpreted in any way other than that already indicated. That is the interpretation contained in its letter and spirit. The theory of keeping the Governor General of the Philippines completely apart from the representatives of the people, besides being undemocratic, will make impossible the normal business of administration and will create a chaos without precedent in our history. Under such theory the Governor General would be isolated and, in his isolation, would find himself tempted to antagonize the representatives of the people and make undue use of the veto power. If he finds it impossible not to approve bills passed by the legislature, he may impose conditions regarding the enforcement of such measures and thus, without vetoing, he would be in a position to nullify the intent of the legislature; he may go above the laws if their enforcement limits the exercise of what is assumed to be unrestrained executive authority; he may disregard public opinion in the matter of appointments and the opinion of the heads of departments in administrative affairs; and he may surround himself with men who do not enjoy popular confidence but are willing to give him that support which he would not obtain from the legislature from which he had isolated himself. And if on top of this the Legislature also insisted upon its constitutional authority, as is its right, not surrendering to the claims of the executive, we shall have the normal process of government broken and the progress of public business halted.

Another theory, even more illogical and more violative of the spirit and letter of the Jones law, is that which would make the Governor General the nerve center of the whole government, the dictator of its policy, and the sole leader of the nation. Then we would fare even worse than in the first days of military occupation. Our legislative chambers would be converted into mere debating societies. To speak of representative government then would be irony. There would be instituted a completely irresponsible government, because it would neither be responsible to the Filipino people, who would have no voice in the election of a chief executive, nor to the American Government and the American people because of the distance separating the Philippines from the United States. And, finally, we would make of that archipelago, inhabited by 12,000,000 souls, a mere colonial appendage of this country.

I am certain the American people will not look with approval upon such a situation. It is not based on the accepted political doctrines of this country. It is incompatible with America's policy in the Philippines and the most modern currents of opinion in the development of new democracies. Our constitutional legislation is the result of a gradual and progressive development of self-government, a process which the Filipinos were required to go through from the very first days of American occupation. Every increase in the political power of the Filipino people was given in good faith and good will. For more than a quarter of a century the Filipinos have been receiving the benefits of such a costly experiment, which they accepted not because they doubted their own political capacity but because they believed that it was a path that would also lead to liberty. Every concession was the logical result of a preceding one, and this chain of events and concessions has the indestructible strength of acquired rights. Thus it was that when, within recent years, suggestions for a reactionary policy in the Philippines were heard, President Harding, guarding the liberal tradition established without any interruption by his predecessors, came forward and declared in a categorical manner that "no backward step is contemplated, no diminution of your domestic control is to be sought." (Address of the President to the Philippine Mission, 1922.)

The idea of self-determination which at bottom is the basis of American policy in the Philippines has made much progress in the world in recent years. Great powers which yesterday exercised complete dominion over other countries and races are to-day loosening the ties of dependence for the benefit of weak nations. An irresistible wave is again pushing humanity toward the formation of new nations in present-day history. The British Empire has terminated its protectorate over Afghanistan; has recognized the independence of Egypt and Mesopotamia, subject to certain restrictions. It has granted self-government to Ireland and a responsible government to southern Rhodesia; it has also established a semiresponsible government in India and Malta; and it has promulgated new constitutions for Ceylon, Burma, and Nigeria. The French Government has established parliaments in Tunis and Senegal. Italy has given parliaments to Tripoli and Cyrenaica. (See Buell, Atlantic Monthly, March, 1924.) All these events have occurred since the approval of the Jones law

for the Philippines. The example of the United States, administering the Philippine Islands in trusteeship and preparing its inhabitants for self-government and absolute sovereignty, is a brilliant page in contemporary history. But that example is no longer unique. (Dutcher, The Political Awakening of the East.) The governmental concessions contained in the Jones law may have been appropriate at the time of its enactment, but a thorough study of the system in relation to the unparalleled progress of the Filipino people and the advance of democratic ideas the world over will perhaps find it no longer adequate. The time to advance has come. Fortunately, the next step forward is plainly indicated by the present law—a step which, when taken, will be the crowning achievement in a great joint enterprise carried to a successful conclusion by the good will of two friendly peoples.

MUSCLE SHOALS

Mr. SNELL. Mr. Speaker, I call up House Concurrent Resolution No. 4, and, pending the reading of it, I ask the attention of the gentleman from Tennessee [Mr. GARRETT]. I would like to see if we can make an agreement with the gentleman from Tennessee as to the length of debate on the Muscle Shoals resolution.

Mr. GARRETT of Tennessee. What does the gentleman desire?

Mr. SNELL. I think that an hour, divided between the gentleman from Tennessee and myself, would be sufficient.

Mr. GARRETT of Tennessee. I think that will be agreeable.

Mr. SNELL. I ask unanimous consent, Mr. Speaker, that the debate on House Concurrent Resolution No. 4 be——

The SPEAKER. The gentleman from New York submits a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

Mr. SNELL, from the Committee on Rules, submitted the following report to accompany House Concurrent Resolution 4:

"The Committee on Rules reports House Concurrent Resolution 4 to the House with the recommendation that the resolution be adopted. The resolution provides for the appointment of a joint committee on Muscle Shoals."

House Concurrent Resolution 4

Resolved by the House of Representatives (the Senate concurring), That a joint committee, to be known as the joint committee on Muscle Shoals, is hereby established to be composed of three members to be appointed by the President of the Senate from the Committee on Agriculture and Forestry and three members to be appointed by the Speaker of the House of Representatives from the Committee on Military Affairs.

The committee is authorized and directed to conduct negotiations for a lease of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., for the production of nitrates primarily and incidentally for power purposes, in order to serve national defense, agriculture, and industrial purposes, and upon terms which, so far as possible, shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518, Sixty-eighth Congress, first session, except that the lease shall be for a period not to exceed 50 years.

Said committee shall have leave to report its findings and recommendations, together with a bill or joint resolution for the purpose of carrying them into effect, which bill or joint resolution shall, in the House, have the status that is provided for measures enumerated in clause 56 of Rule XI: *Provided*, That the committee shall report to Congress not later than April 1, 1926.

The SPEAKER. Pending the consideration of the resolution, the gentleman from New York asks unanimous consent——

Mr. SNELL. That the debate on this resolution be limited to one hour, one-half to be controlled by the gentleman from Tennessee [Mr. GARRETT] and one-half to be controlled by myself, and at the conclusion of the debate the previous question shall be considered as ordered.

The SPEAKER. The gentleman from New York asks unanimous consent that the debate on the resolution be limited to one hour, one-half to be controlled by the gentleman from Tennessee [Mr. GARRETT] and one-half by himself, and that at the conclusion of the debate the previous question shall be considered as ordered on the resolution. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object.

Mr. EDWARDS. Mr. Speaker, I desire to make an inquiry. Will there be any opportunity to offer amendments under what is known as the five-minute rule?

Mr. SNELL. We had not expected to take it up in that way.

Mr. EDWARDS. You had not?

Mr. SNELL. We had not. Of course, if we open this resolution for amendment, it opens the way for debate on this whole proposition, and the whole proposition is not before us at the present time. The provisions of this rule are such that this commission herein proposed is directed to report back to the House, and we thought that at that time there would be ample time given for discussion.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I understand the gentleman from Tennesse is favorable to the resolution, and that the gentleman from New York also is evidently in favor of the resolution. How about those who are opposed to the resolution?

Mr. SNELL. I will say to the gentleman that I will give some of my time to the opposition.

Mr. GARRETT of Tennessee. I am in favor of the resolution. Can the gentleman from New York [Mr. LAGUARDIA] indicate how much time he will probably desire?

Mr. LAGUARDIA. Five minutes is all that I want.

Mr. SNELL. I think I can take care of the gentleman.

Mr. HUDDLESTON. Mr. Speaker, reserving the right to object, will not the gentlemen on either side agree to an equal division of time? My question is whether the gentlemen will not agree to an equal division of the time between those in favor of the resolution and those who are opposed to it.

Mr. SNELL. Mr. Speaker, I did not know that there would be any great demand for time. We are willing to give all reasonable time for debate on this resolution. If there is much opposition, perhaps we had better extend the time. We want to give full and free discussion later on. How much time does the gentleman want in which to oppose the resolution?

Mr. HUDDLESTON. I would like to have time to read it, at least, and see what it is, and to ascertain if I shall oppose it or not. I would like to know the explanation which the gentleman can make. I may be for it. In any event I want to vote like a man and not like a sheep. I think the gentlemen should give those who are opposed or may be opposed to the resolution ample time. I speak primarily not for myself but from my interest in securing general debate. I suggest that half the time should be given to those in favor and half to those who are opposed. Would not that be right?

Mr. SNELL. How many Members are opposed?

Mr. HUDDLESTON. I do not know; but I should like to have at my disposal at least five minutes, to see what I shall do.

Mr. SNELL. Will the gentleman from Tennessee yield to the gentleman from Alabama five minutes?

Mr. GARRETT of Tennessee. Yes. I suggest to the gentleman from New York that he extend that time to not exceeding an hour and a half.

Mr. SNELL. Well, then, Mr. Speaker, I make that request.

The SPEAKER. The gentleman from New York modifies his request and asks that the debate on the resolution be limited to one hour and a half, one-half of the time to be controlled by the gentleman from Tennessee [Mr. GARRETT] and one-half by himself, and that at the conclusion of the debate the previous question shall be considered as ordered. Is there objection?

Mr. HILL of Maryland. Reserving the right to object, Mr. Speaker, I would like to ask a question of the chairman of the committee in reference to lines 15, 16, and 17, where the language used is, "upon terms which so far as possible shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518, Sixty-eighth Congress, first session," and so forth.

Mr. SNELL. When I make my explanation I shall be glad to answer that question.

Mr. HILL of Maryland. Will an opportunity be given to strike out certain portions of this rule?

Mr. SNELL. I do not think it would be well to strike them out at this time.

Mr. HILL of Maryland. This provides for the acceptance of the Ford offer. The committee has spent weeks of time on this matter.

Mr. SNELL. No; this does not do what the gentleman thinks. I shall discuss that point fully when I discuss the resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HUDDLESTON. I object.

Mr. SNELL. We increased the time to suit the gentleman's desire.

Mr. HUDDLESTON. I think those opposed to the resolution ought to have half the time.

Mr. GARRETT of Tennessee. If it is merely a matter of convenience, I will yield to the gentleman half of my time.

Mr. SNELL. I will take care of gentlemen on this side to the extent of one-half of my time.

Mr. HUDDLESTON. I think we should have a reasonable chance. I think that would be only fair.

Mr. SNELL. What could be fairer than that I should agree to give one-half of my time to those opposed to the resolution and one-half of it in favor, and the gentleman from Tennessee will do the same?

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from New York is recognized for 45 minutes.

Mr. SNELL. Mr. Speaker, the resolution just presented comes to the House with a unanimous report from the Rules Committee. It provides in the first section that there shall be a joint committee established to be composed of three members, to be appointed by the President of the Senate, from the Committee on Agriculture and Forestry, and three members to be appointed by the Speaker from the Committee on Military Affairs of the House. By this resolution the joint committee is authorized and directed to conduct negotiations for the leasing of the nitrate power properties at Muscle Shoals, Ala., including the Waco quarry properties and the short railroad owned by the Government leading from the main railroad to the properties.

The committee is directed in making the lease to give consideration primarily to the production of nitrates, and incidentally the production of power.

I appreciate the fact that the last four or five lines in section 2 of this resolution need some explanation. That language has been discussed pro and con a great many times by various members of the Rules Committee. We were not all originally in favor of including this language in this resolution, but we did feel that we should lay down some general provisions in regard to the leasing of these nitrate and power properties. When we came to the proposition of endeavoring to write out these various restrictions or directions in the original resolution we found we were in trouble, and after much deliberation we finally concluded we could lay down some general or fundamental principles for the leasing of these properties by referring to the McKenzie bill, which has been adopted by Congress and which in a general way represents the fundamental ideas of the House and of the whole country in regard to the disposition of these properties. It was not our intent or purpose to ask this new committee to follow entirely the McKenzie bill.

There are a great many of us who are not in favor of the McKenzie bill, but in a general way we felt that bill laid down some plan for this committee to follow in trying to negotiate a lease, and that was the only thing we had in mind, a question of general and not specific direction. We fully appreciate the fact that the new lease may be entirely different in some respects, but in general it will recognize the principles laid down by the McKenzie bill.

The last provision of this resolution provides that this committee shall recommend legislation to the House not later than April 1, 1926, which will carry out its recommendations or its ideas for negotiating a permanent lease. We expect this committee to do something, and we have gone still further and provided that when a bill is presented it shall be privileged, as are bills under clause 56 of Rule XI, which simply makes it privileged the same as an appropriation bill. All they have to do is to take up the matter with the leader of the House and find out when will be a proper time to consider it. They will not have to come back to the Rules Committee for a special rule to make their legislation or recommendations privileged.

Now, the situation before us is this: Muscle Shoals has been a live proposition before Congress for 10 years. The Federal Government has spent $137,000,000 there. We have built nitrate plant No. 1 at a cost of $20,000,000; we have built nitrate plant No. 2 at a cost of $67,000,000; and we have built a hydro water-power development there at a cost of practically $50,000,000. Four 30,000-horsepower units are completed and four 30,000-horsepower units are practically completed. In other words, we have to-day practically 240,000 hydroelectric horsepower ready to put to some use. In addition to that, we have two nitrate plants that are completed and an auxiliary steam plant of practically 60,000 to 75,000 horsepower. In other words, we have there to-day a complete unit to do some kind of business, and the question before the House is: What are we going to do with it?

Mr. WILLIAMSON. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. WILLIAMSON. I am not clear as to whether or not the gentleman stated that the 240,000 horsepower was entirely hydroelectric, or does that include steam power as well?

Mr. SNELL. There is practically available now hydroelectric power to the extent of 240,000 horsepower, and according to present information there is in the vicinity of from 80,000 to 100,000 horsepower that is primary or firm horsepower.

I have had a great many communications addressed to me since this resolution has been before the Rules Committee from various organizations that are interested. They are always discussing with me or calling my attention to the policy of the Government in regard to this proposition. As I understand it, at the present time we are not fixing the policy in regard to the Muscle Shoals properties. That policy has been fixed by the Government from the time the first expenditure was made at Muscle Shoals. We started there with $20,000,000 to build a nitrate plant, and that same policy has been emphasized by every additional appropriation and by every general statement that has been made by the people in authority in connection with these general properties. If we were starting this whole proposition "de novo" to-day, I should advocate an entirely different proposition, but I do not consider that that question is before the Congress. These properties have been definitely dedicated to the manufacture of nitrates for national defense and for the production of fertilizer ingredients in time of peace. [Applause.] We can not get away from that. It is not a question of what I want or some other fellow wants. I think it would be a great deal better to deal with them on an entirely different basis. I think it is more of a power proposition; but there are a great many people who are just as honest as I am who do not agree with me, and I feel that that does not make any difference at the present time, and that we must deal with conditions as they exist. I believe that this resolution carries out the general intent of Congress and the desire of Congress to rent or lease these properties to somebody so that they will produce something which will be of use to the Government and of benefit to the people.

Mr. HILL of Maryland and Mr. HUDDLESTON rose.

Mr. SNELL. I yield first to the gentleman from Maryland.

Mr. HILL of Maryland. The resolution refers to H. R. 518, which is the McKenzie bill?

Mr. SNELL. Yes.

Mr. HILL of Maryland. The McKenzie bill was afterwards amended in the Senate by an entirely new bill, which never passed. Now, I think the gentleman's explanation has made those of us who are in favor of a prompt disposition of the Muscle Shoals proposition favorable to this resolution. The McKenzie bill, H. R. 418, provided for the sale of certain property and for a 100-year lease of certain other property, but as I understand the pending concurrent resolution there can be nothing more than negotiation of a lease of not more than 50 years for the general purposes and on the general terms of the McKenzie bill, H. R. 518.

Mr. SNELL. The gentleman is correct so far as that is concerned.

Mr. HILL of Maryland. And that committee must report to this House its recommendations.

Mr. SNELL. It must report them before April 1, 1926.

Mr. HILL of Maryland. I would like to say to the gentleman, as one who fought the McKenzie bill, I am in favor of this resolution, and I think there should be prompt action on this matter. [Applause.]

Mr. SNELL. I now yield to the gentleman from Alabama.

Mr. HUDDLESTON. I wanted to ask the gentleman from New York a question with reference to the form of the resolution somewhat akin to the question asked by the gentleman from Maryland [Mr. HILL]. The bill provides—

> upon terms which so far as possible shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518, Sixty-eighth Congress, first session—

And so forth.

That bill, H. R. 518, had several forms. The first was the form in which it was introduced, the next was the form in which it was amended by the House, and the third was the form in which it was proposed to be amended by the Senate committee.

The question I want to ask the gentleman is which of these forms he refers to as H. R. 518. I should think it meant the original form, the form in which it was introduced, but surely there is nothing certain about it.

Mr. SNELL. I will say to the gentleman from Alabama we did not want to restrict the committee any more than was absolutely necessary. We want, as far as possible, to give this committee carte blanche, but we do want them to recognize some general principles that we believe the Congress would insist upon in the lease, and if the gentleman wanted to pin me down to some definite one of them, I would say I had more in mind or that the committee had more in mind the bill as it passed the House. There are a lot of individual sections of that bill that none of us approve of, but we thought this would give some general direction without being too specific. We

did not want to be too specific in directing the committee to negotiate this lease.

Mr. HUDDLESTON. The gentleman remembers that the House substituted almost a new bill for H. R. 518, and I ask the gentleman in the interest of orderly legislation, does not the gentleman think it is a very bad system to legislate with reference to some other document of a preceding Congress without any definite statement as to what it is the gentleman is referring to? The gentleman himself does not know.

Mr. SNELL. I said to the gentleman——

Mr. HUDDLESTON. And no court could decide. What would a court decide?

Mr. SNELL. I may say to the gentleman that to a certain extent I agree with him, and I tried to explain that this was just a general direction giving some general information or some general line of demarkation which we think they should follow, without being too specific. We did not want to restrict the committee in any way, but we do want to give them as broad latitude as possible in negotiating a lease of these properties.

Mr. HUDDLESTON. But this resolution in definite terms does restrict the committee.

Mr. SNELL. I think not.

Mr. HUDDLESTON. It restricts them definitely to secure equal or better terms.

Mr. SNELL. Oh, it says so far as possible.

Mr. HUDDLESTON. Let me read that language, so there will be no misunderstanding:

> And upon terms which so far as possible shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518.

Mr. SNELL. I can not make it any plainer than that.

Mr. HUDDLESTON. I want to know which H. R. 518 is referred to. What would a court decide?

Mr. SNELL. I do not think it is a matter which is ever going to a court for decision. This is simply to give them some general idea of what we expect, and the words "so far as possible" mean they will follow that bill in a general way, but we want them to lease the property.

Mr. KEARNS. Will the gentleman yield?

Mr. SNELL. Yes; I yield to the gentleman from Ohio.

Mr. KEARNS. H. R. 518 provides for a sale of certain properties and a lease of the water power; but, as I understand this resolution, it only provides for a lease of all the property, and none of the property can be sold.

Mr. SNELL. That is the general proposition as it is understood at the present time. We want to lease these properties.

Mr. KEARNS. But this resolution only gives the committee or the commission which you are creating authority to negotiate leases and not a sale of any of the property.

Mr. SNELL. That is the understanding at the present time.

Mr. KEARNS. That in itself will make a very big difference between the report that this committee or commission may make and the bill H. R. 518, because the bill H. R. 518 proposed to sell for a song the two nitrate plants and all the personal property there.

Mr. SNELL. We did not expect them to follow H. R. 518, but that was simply a general suggestion of a line of thought, and that was all. The committee might accomplish the same purpose, but in an entirely different manner.

Mr. KEARNS. It could not accomplish the same purpose, because in one bill the nitrate plants and all the personal property there were sold outright for a few million dollars—I think four or five million dollars—when the property cost over $100,000,000, whereas this resolution provides for a lease of that same property.

Mr. SNELL. The idea at the present time is to lease the property.

Mr. KEARNS. I do not see how the two can be comparable.

Mr. SNELL. I think there is some question about that.

Mr. BURTON. Will the gentleman from New York yield to me?

Mr. SNELL. I yield to the gentleman from Ohio.

Mr. BURTON. I think in this question the plain phraseology of the resolution is overlooked. The question of terms is not as to the rental or the price, but the language is—

> upon terms which so far as possible shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518.

Mr. SNELL. And the general fundamental principles will be carried out in the proposition.

Mr. BYRNS. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Tennessee.

Mr. BYRNS. As I view this proposition, it seems to me the gentlemen lay a little too much emphasis upon the phraseology of this resolution. After all, the entire matter will be reported back to the House, and the House will adopt it or reject it as it pleases, and, as I construe this language, it is simply an indication to the committee of what the House generally wants the committee to consider and report upon.

Mr. SNELL. I think the gentleman understands it as I do.

Mr. KEARNS. How did the committee come to determine that only a lease should be given?

Mr. SNELL. That is what we think is the will of Congress, to lease and not sell. We are not going into all the definite directions as to a lease; that is the one thing that we have had trouble about all the way through. We want to give the committee an opportunity to use its best judgment.

Mr. KEARNS. I think the vote against the McKenzie bill was for two reasons.

Mr. SNELL. I voted against it myself.

Mr. KEARNS. I know the gentleman did. One was because they were selling $100,000,000 worth of property for less than $5,000,000; and the second, they were leasing for 100 years, and the Government to pay the greater part of the expense of operation.

Mr. JAMES. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. JAMES. "As set forth in H. R. 518, Sixty-eighth Congress, first session." That can only refer to the McKenzie bill when it passed the House?

Mr. SNELL. That is the bill we had in mind.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Texas.

Mr. CONNALLY of Texas. It is a fact that at the last session we provided for the appointment of a commission to study this proposition?

Mr. SNELL. Yes.

Mr. CONNALLY of Texas. The commission was headed by the gentleman from Illinois [Mr. MCKENZIE] and, as I understand, the majority report just filed favors, first, a lease; and if a satisfactory lease can not be obtained, it recommends Government operation?

Mr. SNELL. Yes.

Mr. CONNALLY of Texas. Does the resolution contemplate the latter part of that recommendation at all, or does this resolution commit the House to a lease?

Mr. SNELL. I do not think it commits the House to a lease if the lease is not satisfactory. I feel this way, and I am willing to state it. We have the property and have got to do something in regard to it. If we can not make a satisfactory lease, it is inevitable that the Government itself will have to operate the plant.

Mr. CONNALLY of Texas. I agree with the gentleman.

Mr. SNELL. But I am opposed to Government operation.

Mr. CONNALLY of Texas. So am I, except in case a satisfactory lease can not be obtained. Why does not the resolution contain that phase and give power to the committee to report back if it can not make a lease, and make a recommendation as to whether the Government shall operate the plant?

Mr. SNELL. We did not want to go to quite that extent at the present time.

Mr. CONNALLY of Texas. But at the present time we have to decide what we are going to do.

Mr. SNELL. As far as I know, the desire of the House is to lease it, and if we can not do it, there is plenty of time to take up the other phase of it.

Mr. CONNALLY of Texas. Why not have the committee advise the House in regard to it? It can investigate as to the lease, and if it can not get a lease, why not direct it to report further, so that the House can have the other proposition?

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. MOORE of Virginia. Would not the House, as a matter of course, if the committee found that it could not report in favor of a lease, have full discretion in the matter?

Mr. SNELL. I can not see that there is anything in the resolution to prevent it.

Mr. MOORE of Virginia. Does anybody offer a proposition that is more feasible than the one contained in the resolution to get rid of this subject?

Mr. SNELL. I have not heard of any.

Mr. HILL of Maryland. Under the resolution, if the committee can not make a lease it can dispose of it in some other way?

Mr. SNELL. That necessarily follows.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. SNELL. I will yield to the gentleman.

Mr. COOPER of Wisconsin. I notice at the bottom of page 1 this language:

and upon terms which, so far as possible, shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518.

That was the McKenzie bill in a previous Congress?

Mr. SNELL. Yes.

Mr. COOPER of Wisconsin. Last March President Coolidge appointed a commission to investigate and to report to him specific recommendations as to what we should do with the Muscle Shoals property. He sent the commission's report to Congress on December 10. But there is nothing in this resolution making the slightest mention of the very important work of that commission. Printed copies of its report were not sent to the Capitol until last Saturday at about half past 5 in the afternoon. I have a copy in my hand. It contains 108 pages and more. There has been no opportunity to study it.

The pending resolution refers to H. R. 518; but why was it that no mention was made of the changed attitude of the author of H. R. 518, Mr. McKenzie? In his report as chairman of the commission he comes out unequivocally as has been said by the gentleman from Texas [Mr. CONNALLY] in favor of Government operation if we can not make a satisfactory lease. He now specifically mentions his regret that the investigation forced him to change his former convictions. But we have had no opportunity to study the report and learn the reasons for the change.

Why is it that in the pending resolution no mention is made of the attitude of Mr. McKenzie except in the reference to H. R. 518, a bill which he virtually repudiates in the report which he filed as chairman of the commission?

Mr. SNELL. Mr. Speaker, the Rules Committee was not leasing the property. Our committee was simply trying to set up the organization or authorized machinery to negotiate a lease, and the proper place to present the report of that investigating committee is to the joint commission that this rule is creating. They will have jurisdiction over the subject the gentleman refers to and not the Rules Committee.

Mr. Speaker, I reserve the remainder of my time and yield to the gentleman from Tennessee.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker and gentlemen of the House, we have with us an old friend here again this morning, the question of attempting to make some disposition of Government properties at Muscle Shoals. This question has been before Congress in various phases for the last four or five years. The House of Representatives has functioned upon the question of attempting to establish some policy with reference to the disposition of these great properties. Upon bills reported from the Committee on Military Affairs, on two occasions, the House of Representatives has registered its opinion affirmatively in favor of a definite policy for the disposition of the property. The last action was taken upon the McKenzie bill, embodying the Henry Ford offer, which is referred to in the resolution reported by our Committee on Rules and passed this House by a very large majority. It went to the Senate, and gentlemen are familiar with what happened to the legislation in the other branch of the Congress. So at the beginning of a new session of Congress we are confronted again with the imperative duty of making another, I might say, desperate effort to see if the wisdom and intelligence of Congress, including both bodies, can not come to a definite conclusion, registered in legislation for the disposition of this property upon which the Government has spent so much money.

I call attention first to the suggestion that the President of the United States made in his annual message to Congress, and we must recognize the fact that he is not only the head of his party but is the Chief Executive of the country, and that he must approve such legislation as may be passed. It is apparent from his message that he is anxious to get this question disposed of at this session of Congress. The Rules Committee, in presenting this resolution which is before you for consideration has, in letter and spirit, almost in terms, adopted the legislative program suggested by the President in his message to Congress. He said:

I am convinced that the best possible disposition can be made by direct authorization of the Congress. As a means of negotiation I recommend the immediate appointment of a small joint special committee chosen from the appropriate general standing committees of the House and Senate to receive bids, which when made should be reported with recommendations as to acceptance, upon which a law should be enacted, effecting a sale to the highest bidder who will agree to carry out these purposes.

The chairman of the committee has explained the general purposes of the resolution. It merely provides for the appointment of a legislative commission composed of three Members of the House, to be named from the Military Committee, and three Members of the Senate, to be named from the Committee on Agriculture of that body—committees which have had jurisdiction of this problem from its beginning, and who are assumed to be more familiar with all general phases of it than any other Members of the Congress, possibly, and to consider bids that may be offered from outside sources for the disposition of this property through lease to private enterprise. As a guide, in a measure, to the action of that committee, this resolution provides that if possible, if they can receive such bids, the legislation that they shall enact shall propose as great or greater benefits to the Government and to agriculture as were contained in the McKenzie bill when it passed the House of Representatives at the last session.

Mr. ROMJUE. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. For a brief question.

Mr. ROMJUE. There is nothing in this resolution that contemplates leasing or contracting at all until after the commission has reported.

Mr. BANKHEAD. Absolutely not. It merely establishes the machinery, so to speak, by which another effort may be made to get a decision of Congress for the disposition of this property. It merely amounts to the appointment of a joint commission.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield five minutes more to the gentleman from Alabama.

Mr. BANKHEAD. Mr. Speaker, as I said in the beginning, this is an old question before the Congress of the United States, but particularly to the agricultural interests of the section of the country from which I come, and as far as that is concerned, a matter of interest to agriculture everywhere in the United States. It presents a problem of the most vital concern. I took occasion a year or two ago when this question was up to point out to my friends from the great grain sections of the country the constant diminution in the yield of their grain crops, as shown by statistics all over the country, on account of the deterioration of the soil in those sections. The time will come when they are going to be as vitally interested in proper fertilization of the soil as we in the South, who are now so largely dependent upon it for the production of our cotton and corn. A few days ago the Committee on Rules reported here and had passed a resolution authorizing the Interstate Commerce Committee to investigate particularly the rubber monopoly. General interest has been aroused in that because of the fact that we are subject to outside monopoly that was controlled by one government, which monopoly had raised the price of crude rubber from 25 to 30 cents a pound up to a dollar a pound in a year, and thereby affected most materially the owner of each of the 20,000,000 automobiles in the United States. I am glad that the attention of the Congress was called to this monopoly, particularly at this time, because I say to you that the farmers of America, particularly of that section of the country from which I come, have, for many decades, been subjected to the intolerable, indefensible monopoly of the Chilean Nitrate Trust, and from the time that we began to import nitrates from Chile, as a necessary and essential part of our agricultural operations, there has been expended over $1,100,000,000 by Southern farmers mainly to supply our needs for Chilean nitrates.

The condition under which they labor now is that the Chilian Government itself exacts from every farmer in America who uses Chilian nitrate the sum of $12.55 per ton as an export tax. For every ton of fertilizer shipped out of Chile the farmers of America are paying that tribute directly into the Government of Chile, to say nothing of the profits and the cost of transportation and the cost of delivery.

I want to ask permission, Mr. Speaker, to insert in the RECORD some statistics on this question of the Chilian nitrate monopoly as affecting agriculture.

The SPEAKER. The gentleman from Alabama asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. BANKHEAD. Gentlemen, I do not want to take up too much time. There are others who wish to speak. The essential purpose of this resolution, which has been unani-

mously reported by the Committee on Rules, is to get action on this question.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. The President says that in his opinion the course that we are pursuing is the best way to get action. It is the opinion of all the members of the Committee on Rules, who have rather thoroughly considered this question, that this is a legitimate and necessary, I might say, piece of machinery set up for the purpose of securing action upon it. The report of the commission does not bind the Members of the House or the Senate. We may not agree with what they report back here. It is merely establishing the machinery by which we hope they will report something that we shall accept to carry out the purposes to which that great project was dedicated.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman yield now?

Mr. BANKHEAD. I yield to the gentleman.

Mr. COOPER of Wisconsin. I would like to ask this question of the gentleman: Why was it that no mention was made by the gentleman's committee in this resolution of this important report of the committee appointed by the President last March, which has made the most voluminous report ever made on the subject after a most protracted investigation—an illustrated report—which was not accessible to the Members of this House until yesterday?

Mr. BANKHEAD. I can answer the gentleman's question. We did not mention it, I will say to the gentleman, because we did not think it appropriate or necessary for the purpose we had in mind. All of that information will be available to this joint commission. [Applause.]

I now insert the data with reference to the Chilean nitrate monopoly:

CHILEAN NITRATE BY DECADES

Chilean nitrate importations into the United States were as follows for the last two decade years:

	Tons
1904	293,574
1914	564,049
1924	986,608

This tends to show a doubling every 10 years.

	Tons
1925 imports for 8 months amounted to	892,547
Assuming imports for last 4 months of 1925 amounted to same as for last 4 months of 1924, allowing for no increase, would add to this the amount of	263,435
Making a total estimated importation for the year 1925 of	1,155,982

The value of this tonnage for 1925 would be $55,024,743.

Assuming the same rate of increase in the importations of Chilean nitrate as for the last two decades, the figures in 1934 would be as follows:

Tons imported in 1934	1,973,216
Export tax paid to Chile in 1934	$24,724,396.48
Value of importations in 1934	$93,925,081.00

An export tax is now paid to the Chilean Government on all Chilean nitrate imported into the United States of $12.53 a ton, and the payments by the users of Chilean nitrate in the United States to the Chilean Government have been as follows for the years stated:

1904	$3,678,482.22
1914	7,067,533.97
1924	12,362,198.24
1925 (estimated)	14,484,544.46

And, on the same basis of increase, would amount in the year 1934 to $24,724,396.48.

UNITED STATES IMPORTATIONS OF CHILEAN NITRATE

[Extract, revised to date, from statement of Gray Silver in hearing on nitrates before House Committee on Agriculture, February 20, 1923]

UNITED STATES THE ONLY GREAT MODERN NATION DEPENDING WHOLLY UPON CHILE

The United States is the only great modern Nation which depends wholly upon Chile for its nitrates. During the war when the need for ships was so vital our Army, by using German vessels and by taking over Dutch steamers and chartering Scandinavian and Japanese tonnage, had built up a transport fleet which totaled, on November 11, 1918, 616 ships comprising some 3,562,000 tons. As a result of this policy of depending on Chile for nitrates, however, it was necessary to divert 128 of these vessels, aggregating 700,000 tons (or 20 per cent of the entire transport fleet) for the sole purpose of bringing this one material, nitrate of soda, from Chile.

How great our dependence upon Chile was during those war years and our increasing need for nitrates in time of peace may be clearly seen from Table 16, showing that as a Nation we have paid more than a billion dollars for this single product of the Chilean nitrate fields.

TABLE 16.—*Imports of Chilean nitrate into the United States, 1831 to March 1, 1924*[1]

Fiscal year	Long tons	Value	Average value per 100 pounds	Export duty
1831	(2)	$14,064	(2)	
1832	(2)		(2)	
1833	(2)		(2)	
1834	(2)		(2)	
1835	(2)	14,000	(2)	
1836	(2)	17,360	(2)	
1837	(2)		(2)	
1838	(2)		(2)	
1839	(2)		(2)	
1840	(2)	2,650	(2)	
1841	(2)		(2)	
1842	(2)		(2)	
1843	(2)		(2)	
1844	(2)		(2)	
1845	(2)		(2)	
1846	(2)		(2)	
1847	(2)		(2)	
1848	(2)		(2)	
1849	(2)	9,003	(2)	
1850	(2)	6,632	(2)	
1851	(2)	27,125	(2)	
1852	(2)	6,216	(2)	
1853	(2)		(2)	
1854	(2)	4,151	(2)	
1855	(2)	34	(2)	
1856	616	31,393	$2.27	
1857	658	31,425	2.13	
1858	819	67,794	3.69	
1859	758	64,543	3.80	
1860	840	49,452	2.62	
1861	1,115	152,810	6.11	
1862	(2)	(2)	(2)	
1863	194	54,966	12.64	
1864	2,589	96,555	1.68	
1865	4,207	190,159	2.02	
1866	3,024	111,436	1.62	
1867	13,150	563,624	1.92	
1868	8,230	282,785	1.54	
1869	12,900	600,691	2.08	
1870	13,900	752,604	2.42	
1871	12,660	673,365	2.37	
1872	15,454	928,079	2.68	
1873	27,396	1,452,730	2.37	
1874	27,669	1,338,141	2.16	
1875	23,475	968,615	1.84	
1876	23,164	1,055,360	2.03	
1877	24,200	1,323,547	2.44	
1878	18,866	973,222	2.30	
1879	34,056	1,348,572	1.77	142,354.08
1880	30,096	1,805,110	2.68	377,102.88
1881	42,118	2,356,183	2.50	527,738.54
1882	82,390	3,911,545	2.12	1,032,346.70
1883	52,606	2,336,661	1.98	659,153.18
1884	54,108	1,983,376	1.64	677,973.24
1885	49,913	1,696,054	1.52	625,409.89
1886	45,183	1,681,825	1.66	566,142.99
1887	76,864	2,614,161	1.52	963,105.92
1888	79,890	2,449,639	1.37	1,001,021.70
1889	67,477	2,275,021	1.51	845,486.81
1890	91,100	2,709,131	1.33	1,141,483.00
1891	100,428	2,923,374	1.30	1,258,362.84
1892	109,863	2,976,816	1.21	1,376,583.39
1893	94,661	3,062,715	1.44	1,186,102.33
1894	88,079	2,785,048	1.41	1,103,629.87
1895	124,803	4,124,712	1.48	1,563,781.59
1896	127,557	3,870,724	1.35	1,598,289.21
1897	83,331	2,640,389	1.41	1,044,137.43
1898	125,081	2,729,750	.97	1,567,264.93
1899	122,314	2,054,805	.75	1,532,594.42
1900	184,247	4,736,807	1.15	2,308,614.91
1901	203,609	5,776,566	1.27	2,551,220.77
1902	192,321	5,565,361	1.29	2,409,782.13
1903	252,084	7,737,405	1.37	3,158,612.52
1904	293,574	9,259,656	1.41	3,678,482.22
1905	282,229	9,683,396	1.53	3,536,329.37
1906	373,986	13,117,887	1.57	4,686,044.58
1907	342,073	14,041,202	1.83	4,286,174.69
1908	330,090	12,546,611	1.70	4,136,027.70
1909	353,494	12,583,417	1.59	4,429,279.82
1910	550,495	16,874,082	1.37	6,897,702.35
1911	546,525	17,101,140	1.39	6,847,958.25
1912	481,739	15,431,892	1.43	6,036,189.67
1913	589,136	20,718,968	1.57	7,381,874.08
1914	564,049	17,950,786	1.42	7,067,533.97
1915	577,122	16,355,701	1.26	7,231,338.66
1916	1,071,728	32,129,397	1.35	13,428,751.84
1917	1,261,659	44,231,240	1.57	15,808,587.27
1918	1,607,020	70,129,026	1.95	20,135,960.60
1919	1,346,679	68,229,548	2.27	16,873,887.87
1920	907,041	40,314,969	1.98	11,365,223.73
1921	843,756	42,322,979	2.24	10,572,262.68
1922	303,271	14,568,268	2.14	3,799,985.63
1923	894,529	42,947,128	2.14	11,208,448.37
1924 (8 months)	650,278	30,839,216	2.12	8,147,983.34
Total	16,920,536	651,392,790		208,774,321.96

[1] Data from official records. [2] Unavailable.

Recapitulation

Values of nitrates imported into the United States:	
Chilean nitrate imported, 1831 to Mar. 1, 1924	$651,392,790.00
Chilean export duty (none applied until 1879), 1879 to Mar. 1, 1924	208,774,321.96
Ocean freight, insurance, and commission on Chilean nitrate, 1867 to Mar. 1, 1924 [1]	224,753,924.45
Peruvian nitrate imported, 1831–1888 [2]	18,232,928.00
Total	1,103,153,964.41

NOTE.—The value given here is based on the value at the port in Chile and does not include export duty paid to the Chilean Government, ocean freight, insurance, commissions, etc. Before 1914 freight from Chile to the United States was about $7.50 per ton; at the present time (1922) it is about $17.50. In 1879 an export duty was put on nitrate shipments from Chile and amounted to about $4.18 per long ton. In 1880 this duty was raised to $12.53 per long ton and has not been changed since that time. The export duty paid to the Chilean Government on all nitrate of soda coming to the United States up to Mar. 1, 1924, amounts to $208,774,321.96.

AMERICAN FARM BUREAU FEDERATION, April, 1924.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. ALMON].

Mr. ALMON. Can the gentleman from New York give me as much?

Mr. SNELL. I am sorry I can not give it to the gentleman. I have yielded so much of my time that I have none left. I can not yield any more time, although I would like to.

Mr. ALMON. My time will begin now, Mr. Speaker. There have been some interruptions. My five minutes begin now?

The SPEAKER. Yes. The gentleman is recognized for five minutes.

Mr. ALMON. Mr. Speaker and gentlemen of the House, I favor the adoption of this resolution. [Applause.] Muscle Shoals has been before Congress since the end of the World War. When I speak of Muscle Shoals I mean the nitrate plants and the steam and water power plants constructed by the Government on the Tennessee River at Muscle Shoals, Ala.

President Coolidge, in his recent message to Congress, said that Muscle Shoals seemed to have assumed a place out of proportion to its real importance and that it has been discussed in Congress over a period of years and for months at a time. He urged the immediate appointment of a small special joint committee, such as is provided for in the present resolution, to receive bids and report their recommendation for acceptance, together with a bill or resolution for the purpose of carrying their recommendation into effect. He urged the importance of private operation of Muscle Shoals for the production of nitrates primarily and incidentally for power purposes, under conditions which will dedicate it to the public purpose for which it was conceived. It can not be claimed that the delay on the part of Congress in the enactment of legislation which would result in the operation of Muscle Shoals for the purpose for which it was conceived and constructed has been due to the fact that it was a difficult problem, for as a matter of fact it is a very simple one. It is well known to all informed on the subject that it has been due to selfish interests. It has met the opposition of the fertilizer interests and the water-power interests. The fertilizer interest does not want fertilizer made at Muscle Shoals. The water-power interest wants it converted into a great super water-power development.

Why do I say it is a simple problem? Let me tell you very briefly its origin and purpose. In 1916, a year before we entered the World War, there was incorporated section 124 of the national defense act which directed the President to construct one or more nitrogen plants to be operated by steam or water power, one or both, to be used for the manufacture of explosives for war purposes in war times and for the manufacture of fertilizer for the benefit of agriculture in times of peace. The President ordered the plants built at Muscle Shoals. Two nitrate plants and a large steam plant were constructed during the war, and a great water-power dam, known as the Wilson Dam, at Muscle Shoals was begun during the war and has since been completed.

Now, there is nothing left for Congress to do except to make provision for the operation of this development for the purposes for which it was built. That is to manufacture fertilizer now during peace times for the benefit of agriculture in the production of cheap fertilizer, one of the greatest needs of the farmer in this day and time. If it is not operated in peace times but is allowed to stand idle and rust out and the machinery become obsolescent, it would be of no value as a war plant in the event of war.

The congressional committee provided for in this resolution is directed to conduct negotiations for the lease of Muscle Shoals for a term of 50 years upon terms which so far as possible shall provide benefits to the Government and to agriculture equal to or greater than the bill which passed the House during the last Congress accepting the offer of Henry Ford for Muscle Shoals, except that the lease shall be for a period not to exceed 50 years. This committee to report its recommendation to Congress not later than April 1, 1926.

It will be remembered that the Ford bill required the production of so much fertilizer and the sale of the same direct to the farmers at a price not greater than 8 per cent, over and above the cost of production and the payment of a reasonable interest for the use of the water power. That bill passed the House by an overwhelming majority. It had the indorsement of not only the farmers of the Nation but practically every one else except selfish interests which would have been affected by the operation of these plants by Henry Ford.

When Congress adjourned without action on this bill by the Senate, Mr. Ford withdrew his offer. At the short session Senator UNDERWOOD offered as a substitute for the Ford bill a bill authorizing the President to lease the plants on stipulated conditions and that bill met with the approval of both Houses of Congress, and a conference report was finally agreed upon, but Congress adjourned on the 4th of March before a vote could be had on the conference report by the Senate.

Frequent statements have been made that fertilizer could not be made at Muscle Shoals cheaper than present prices. When you hear such a statement made you may take it for granted that it is made for selfish purposes or a lack of information. It has been clearly demonstrated by fertilizer experts before the committees of Congress that fertilizer can be made cheaper at Muscle Shoals than the present prices. If this be not true, why do the fertilizer interests continue to oppose the operation of these plants for the manufacture of fertilizer either by a lessee or by the Government? European countries are utilizing their war plants for the benefit of agriculture, and so successfully that they have ceased to import nitrates from Chile. If this can be done in European countries, it can be done in this country, and if it is not done it can not be construed otherwise than a reflection upon the Congress.

Congress disposes of many big and important problems, far greater than Muscle Shoals, to the satisfaction of the American people, and let it be hoped that this will be done at this session as regards Muscle Shoals. A failure to do this would be nothing less than a national calamity. The farmers of the country have grown impatient; the country has grown impatient at the failure of Congress to provide for the operation of Muscle Shoals, and the President, judging from his recent message to the Congress on this subject, has also grown impatient over the long delay. The nitrate plants have been standing idle for seven years, and the water pours over the spillways of the great $50,000,000 power dam at Muscle Shoals, and the farmers continue to suffer for more and cheaper fertilizer while Congress wrangles over Muscle Shoals. The country is expecting action at this session of Congress, and a failure can not be explained to the satisfaction of the American people. If proper and satisfactory legislation on this subject is not enacted at this session, I do not believe that it will be the fault of the House of Representatives. [Applause.]

Mr. SNELL. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. BURTON].

Mr. BURTON. Mr. Speaker, when this question of the disposition of Muscle Shoals was before the House in March, 1924, there was vigorous opposition from a minority, of whom I was one. The objections which I alleged at that time were: First, the utter inadequacy of the Ford offer; second, it did not square with the policy of the Government as to the development of water power as embodied in the Federal Water Power Commission act of 1920; and third, that the development of the manufacture of nitrates, whether for powder, explosives, or for agriculture, was in flux.

I am decidedly in favor of the passage of this resolution. Something should be done to utilize the large investment which the Government has made at Muscle Shoals, and that speedily. I may say that the commission appointed must feel that a grave responsibility is placed upon it, and I trust it will bring in a report with which the House can concur. The third of the objections which I made in March, 1924, however, is still effective, that the manufacture of nitrates and of the basic materials for fertilizers is still in flux, with a development which would seem to indicate that the methods adopted at the

[1] Average ocean freight rate of $5,376 per long ton and average rate of $4.48 for insurance, commissions, etc., used from Sept. 30, 1922, to Mar. 1, 1924. See Department of Commerce Trade Inf. Bull. No. 170, p. 5.

[2] Chile was given the bulk of the Peruvian nitrate lands by the treaty of Ancon (1883) and has held them ever since. Practically no nitrate imports from Peru into the United States have been reported after 1888.

beginning of the construction of this plant at Muscle Shoals are now, in a measure, discredited.

There are two processes utilized in this country for the production of nitrates—the cyanamide, which is to be used at plant No. 2, and the direct synthetic process, popularly known as the Haber process, at plant No. 1. House bill 518, passed by the House in the last Congress gives express approval to the cyanamide process and requires the grantee or lessee of the plant to maintain nitrate plant No. 2 (sec. 14, pars. a and b).

Two questions arise: First, is it wise to commit ourselves to use the power at Muscle Shoals for manufacture by the cyanamide process; and, second, is it best to bind ourselves to the use of that power, or a very considerable part of it, for the manufacture of nitrates?

It is with great hesitation that I criticize the policy outlined in this resolution; for if the action of past Congresses is to be our guide, the language of this resolution is appropriate and proper when it states that the committee must conduct negotiations for a lease of the nitrate and power properties for the production of nitrates primarily and incidentally for power purposes. I am compelled to state, Mr. Speaker, however, that I doubt the expediency of that order, "nitrates primarily and power incidentally," for the reason that most remarkable progress has been made in the last 10 years in the manufacture of nitrates. I do not stand here either to defend or attack the manufacturers of fertilizers or to express an opinion whether a sufficient supply can be obtained at a reasonable price from private enterprise. I recognize that we owe a special responsibility—I may say a duty—to the Government to provide means for the manufacture of nitrates for powder and explosives in case of war, and that we should have special consideration for the farming interest, which has a crying need for fertilizers not merely in the locality of Muscle Shoals but all over the country. The information upon which I have relied, both in 1924 and now, has been derived, not from private sources, but from officials of the Bureau of Fixed Nitrogen Research in the Department of Agriculture. Upon the questions in issue I wish especially to give some extracts from an article upon the "Trend of developments in the nitrogen problem," by Mr. J. M. Braham, who was until recently connected with the Fixed Nitrogen Bureau. He has made extensive examination of processes in Europe and elsewhere and is a leading expert upon the subject. He says:

There are three processes now in operation on a large scale for the fixation of atmospheric nitrogen. These are commonly referred to as the arc, the cyanamide, and the direct synthetic ammonia processes. * * *

Arc process: The arc process, in which nitrogen becomes chemically combined with oxygen by passing air through an electric arc, was put into operation in Norway in 1905.

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The main handicap of this process is its enormous power requirement, about 68,000 kilowatt-hours per metric ton of nitrogen fixed. Its commercially successful operation for fertilizer production is therefore limited to countries having very cheap water power.

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Cyanamide process: The cyanamide process, in which nitrogen is fixed by combination with finely powdered calcium carbide at relatively high temperature, was developed in Germany shortly after the arc process was put into operation in Norway. It requires less than one-fourth the electric power of the arc process per ton of nitrogen fixed, and hence it has been much more widely employed. In 1913 there were cyanamide plants in operation in nine countries, with a combined capacity of approximately 34,000 metric tons of nitrogen. Owing to the great demand for nitrogen during the war there was a tremendous increase in the production of cyanamide, and in 1918 there were in operation or under construction 36 cyanamide plants, with a combined capacity of nearly 325,000 tons of nitrogen. One of these was United States Nitrate Plant No. 2, at Muscle Shoals, Ala., with a capacity of 40,000 tons of nitrogen per year, the largest cyanamide plant in the world. A number of war-built cyanamide plants have since been scrapped and others have remained idle, as in the case of the Muscle Shoals plant. The present annual rate of fixation by the cyanamide process is about 140,000 metric tons. This is somewhat more than four times the production for 1913, but represents less than half of the productive capacity of existing plants.

The chief disadvantage of the cyanamide process is that the product, calcium cyanamide, has not proved entirely satisfactory as a fertilizer material for general use. In this country another limitation is that the product can not safely be used except in small quantities in mixed fertilizers containing acid phosphate. Although cyanamide can be converted into other forms of fertilizer nitrogen, such as ammonium sulphate and urea, the conversion costs have thus far been too high to enable the product to compete with by-product ammonium sulphate and Chilean nitrate. The quantity of calcium cyanamide, as measured by the nitrogen content, has been very materially improved during the past few years, but there have been no decided improvements in the process in the last 10 or 12 years, and it is gradually being superseded by the direct synthetic ammonia processes.

Direct synthetic process: The outstanding developments in nitrogen fixation at present are in the synthetic ammonia process, and it is in this direction that a reduction in the cost of fixed nitrogen can be confidently expected. This process, which consists in forming ammonia directly from the elements under conditions of high pressure and relatively high temperature in the presence of a catalyst, was first operated on a commercial scale in 1913 in Germany. The urgent need for nitrogen by Germany during the World War led to the construction of two huge fixation plants, one at Oppau, with a capacity of 100,000 metric tons of nitrogen per year, and one at Merseburg, with a 200,000-ton capacity. It will be noted that the annual output of these two plants alone is nearly equivalent in nitrogen to that produced in Chile at the present time.

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There are now 14 synthetic ammonia plants in operation in the various countries (3 in the United States), with a combined capacity of about 320,000 metric tons annually, and several are under construction. The two large German plants previously mentioned produce more than 90 per cent of the total output by these processes.

The production and purification of hydrogen is the main problem in the synthetic ammonia process, and is the chief item of cost. In the Haber-Bosch process the hydrogen is obtained through the production of water gas from coke; in the Claude process it is obtained by fractionation of coke-oven gas; and in the Casale process by the electrolytic decomposition of water. The power requirement of synthetic ammonia processes depends upon the method of hydrogen production, but as ordinarily operated—that is, water-gas hydrogen—it is only about one-fourth that of the cyanamide process. During the past three years important advances have been made in the synthetic ammonia processes not only in hydrogen production and purification but in the simplification in plant design and operation and also in the catalysts required. It appears probable that with these improvements ammonia can be produced in this country in a large installation at 5 to 6 cents per pound. This, it will be noted, is much below the present market level for by-product ammonia, for example.

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As previously indicated, the order of development of the processes is arc, cyanamide, and synthetic ammonia. It will be noted that the power requirement of the cyanamide process is only about 22 per cent that of the arc process, and that for the synthetic ammonia process, obtaining hydrogen from coal or coke, only 6 per cent. These figures, together with those for relative production by the various processes, show very clearly the trend in the fixation of atmospheric nitrogen in the direction of smaller and smaller electric-power requirements. In other words, nitrogen fixation is changing from what may be termed an "electrochemical industry" to a chemical one.

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I may say that similar opinions have been expressed by prominent chemical engineers.

The conclusion to be reached is that it is very doubtful whether any plan for utilization of power at Muscle Shoals should embody a committal to the cyanamide process or, indeed, to any process for obtaining nitrates by the use of water power. It should be noted that at the two very large plants in Germany, located at Oppau and Merseburg, brown coal is the source of power. I will quote further from an article by Dr. Frederick G. Cottrell director of the Fixed Nitrogen Research Laboratory in the Department of Agriculture. He says:

Muscle Shoals is on the extreme western edge of the as yet undeveloped high-tension power net of the Southeast and holds a strategic position in relation to proposed future power distribution, including the Mississippi Valley itself. With this potential demand for power for the rapidly developing public utilities and industries of this section common sense warns us to be cautious how we come to think in terms of long periods of tying up a particular form of energy to a particular branch of manufacture. It is only by a relatively free play of competitive factors, both technical and economic, that we can hope to see our industries struggle healthily forward to their fullest and most economic development.

It may be, for example, that with outlets and prices for electric power existing at the time of completion of the Wilson Dam nitrogen can be fixed with the aid of electric power cheaper than by the use of coke and coal, but the inevitable drift of economic and technical development will be away from this situation, and before we postulate our whole plan of action on such a situation we should carefully consider its probable duration and the necessary readjustments which changing conditions will later almost certainly make desirable.

In view of these facts I am not altogether satisfied with the form of this resolution, but the urgent demand for action and the hope that the proposed joint committee will be able to rec-

ommend some solution which will provide for the most helpful use of this water power, constrain me to give it cordial support.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield 22½ minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Speaker, during the last Congress the House provided for a commission to consider proposals for the disposition of Muscle Shoals. That commission has been at work ever since. It has considered numerous bids and has recently made its report. Whether it found a satisfactory bidder—that is, one which would be satisfactory to Congress—I do not know, because the report is only just now available and we have not had an opportunity to examine it. By the pending resolution we now create another Muscle Shoals committee to receive more proposals and to again report to Congress. Its report is provided to be made at a time very late during the present session, so that probably the matter will be again delayed until the next session. The resolution is admirably adapted to insure that no action for the disposition of Muscle Shoals will be taken during the present session of Congress. That was not the purpose of those who are pushing it, but had that been the purpose it could not have been more ingeniously concocted.

The resolution creates a commission consisting of three members of the House Military Affairs Committee to be selected by the Speaker and three members of the Senate Committee on Agriculture and Forestry to be selected by the Vice President. The selections will be made by gentlemen of character and patriotism, but who nevertheless are opposed to the fullest development of Muscle Shoals. Therefore it is not going far afield when I venture to predict that the majority of the commission will be gentlemen who are at heart opposed to the fullest development of Muscle Shoals. They will be of those who prefer that Muscle Shoals be operated if possible so as not to compete with existing business concerns. What is proposed, therefore, is to turn Muscle Shoals over to be handled by those who may fairly be called its enemies.

The Committee on Rules who reported this resolution are in full harmony. Oh, "how blessed it is for brethren to dwell together in unity." Those who had the opportunity of giving this matter the fullest consideration come here and with no opposition whatever they lay this matter before us and leave us poor, unguided souls to rely solely upon natural cussedness and the initiative of the moment and the little general information we have to make the best we can out of it. "His majesty's opposition," so far as this measure is concerned, has completely disbanded and marched to the rear.

But this is not a novel situation in the present Congress. We are, indeed, in a happy country. We live in a golden age. It is a time of political amity—an era of political good feeling. We have gone back to the times of Monroe. Bipartisanship has knocked on our door and we have opened and here it is.

The honored presiding officer of this Chamber [Mr. LONGWORTH] referred in his inaugural address to a two-party system as "the American system." I condole with the gentleman, I weep with him. He has seen the great "American system" disbanded. We no longer have a two-party system. We have only a bipartisan system.

We had a great tax bill before the House a few days ago; they called it "a bipartisan bill." The committee members who represented the opposition did not oppose. They were in complete accord with the regular Republican majority and voted down every amendment, whether originating upon their own side or upon the other side. Again, this morning we were treated to a similar experience in which a resolution introduced by the honored gentleman who is leader of the minority [Mr. GARRETT of Tennessee] was unanimously reported by the Judiciary Committee controlled by a Republican majority, advocated by its chairman, and put through the House without debate. The real opposition were not given a chance to debate it. Another bipartisan measure! Oh, how I love these eras of amity, but I wonder whether they are going to produce any good results for the country.

I have the thought that the business of an opposition party is to oppose, and that they ought at least to give the country some fair criticism and exposition of a measure and some opportunity to know what they have learned in the committee hearings. I think the center aisle in this Chamber should stand for something. But it does not stand for a thing on earth. There are just as good Democrats on the Republican side of the aisle as there are on this side, and God help us, there are just as good Republicans over here as there are on that side. [Laughter and applause.] I think, Mr. Speaker, we would do well to abolish the central aisle and enter from the side, "sidle in" as it were. Sidling in would be an appropriate manner of entrance for an opposition which does not oppose.

Here we are going through this form again with more bipartisanship and the committee in complete amity, and they are particularly in accord in providing that no claims of industry shall be considered by this commission when proposals are made to dispose of Muscle Shoals.

Mr. FREAR. Will the gentleman yield for a moment?

Mr. HUDDLESTON. In just one second, as soon as I finish this fine oratorical period.

They have provided by this resolution that Muscle Shoals shall be disposed of "for the production of nitrates primarily and incidentally for power purposes." Those who might want to use Muscle Shoals to produce electric energy for industrial purposes are not to be permitted to make any bids under this measure. The only bidders whose bids can be considered are those who agree to make nitrates and those who want to peddle power to the country, namely, and to wit, the Alabama Power Co. and its affiliates—those who want to keep Muscle Shoals out of competition with power which they are producing at other points. The Alabama Power Co. or some friendly interest are to be the only eligible bidders. The terms will fit them only. It would be a more direct method to provide that only they may bid.

Mr. FREAR. Referring to the statement the gentleman has made regarding the center aisle, many of us over on this side are very proud of the gentleman, and I would like to ask the gentleman whether he measures up to 100 per cent Democracy and whether he has been deposed from any of his committee assignments because of his independence?

Mr. HUDDLESTON. I will say to the gentleman that my presence in the Democratic caucus on this side is not nearly so important as his would have been in regular Republican councils had he been in position to cast the deciding vote upon measures presented by the Republican leadership. In other words, the reason the gentleman was kicked out was because they do not need him any longer.

Mr. FREAR. But my position was the same in opposition to the Alabama Power Co. and with reference to Muscle Shoals long before the gentleman came to Congress.

Mr. HUDDLESTON. I was about to say to the gentleman that I am not absolutely sure that my Democracy is considered regular. Oh, yes, I wear the yoke. I put it on my shoulders and I groan and I grunt and I go forward, and lean against my fellow ox, for, of course, I am an ox when I wear a yoke. I wear the yoke of party regularity as best I can; but let me say to the gentleman from Wisconsin that it is not a case in which the galled jade does not wince. I cry aloud. I am not the captain of my soul. I am compelled to be reasonably regular, but I am no more regular, let me say to the gentleman, than I have to be. [Laughter and applause.] I do not try very hard to be regular on "bipartisan" measures.

Now, the supporters of this measure have fixed it so that Muscle Shoals can not be used by industry. Did you know that, I ask the gentleman from New York [Mr. SNELL]? Did you know that, I ask the gentleman from Tennessee [Mr. GARRETT] and the other able gentleman on the committee? Did you do that intentionally? Did you want to fix it so that aluminum can not be made in competition with the Aluminum Trust, so that carborundum can not be made there? Was it your design to fix it so that carbide tool steel and steel alloys could not be produced? Was that your purpose?

Mr. BANKHEAD. Will the gentleman yield for an answer?

Mr. HUDDLESTON. Yes.

Mr. BANKHEAD. As far as I am concerned, I will say that the purpose I had in mind in supporting the resolution is to be consistent along the line I have advocated for five years, and that is the use of that power primarily for the manufacture of cheaper fertilizer. [Applause.]

Mr. GARRETT of Texas. Then why did you not put fertilizer in the resolution?

Mr. HUDDLESTON. Why not allow the use of the surplus electric energy for industry, for the production of aluminum and these other necessary materials?

Mr. BANKHEAD. Does the gentleman see anything in the resolution that makes it impossible, if the report of the committee should be voted down, where the Congress could not say what should be done with it?

Mr. HUDDLESTON. I am in favor of a square deal with all those who may desire to bid on Muscle Shoals—to be fair both to the people and to the bidders. I do not want to restrict the matter so that we will be turning it over to the Alabama Power Co. I am willing to come out in the open.

Now I want to read the whole paragraph carrying the joker clause. I am not making this speech for my constituents—I am making it for you.

The paragraph reads:

The committee is authorized and directed to conduct negotiations for a lease of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., *for the production of nitrates primarily and incidentally for power purposes*, in order to serve national defense, agriculture, and industrial purposes, and upon terms which, so far as possible, shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518, Sixty-eighth Congress, first session, except that the lease shall be for a period not to exceed 50 years.

Note it carefully expressly provides that the lease shall be only for the production of nitrates and power. Aluminum carbide and steel alloys are not produced by power, they are produced by heat. It will not be possible for a concern which wants to use the energy generated at Muscle Shoals, in the electrical furnace for the smelting of aluminum or other materials that industry needs, to make a bid.

If there is a lawyer in this House who has not been here so long that he has forgotten the law, I have no doubt what his construction of the paragraph will be. The commission can not possibly consider a proposal to use any part of the electric energy for the purposes of industry.

We do not need much additional power in Alabama at present. The Alabama Power Co. under normal conditions is producing about all the power we need. You can not operate Muscle Shoals to success by confining it to the production of power, nor by providing that it shall be used to operate nitrate plants and the balance be devoted to power purposes—the demand for the power is not there. It will be a failure in the hands of anyone to hold under such restrictions except it be held merely to keep it out of competition with the Alabama Power Co.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. OLIVER of Alabama. I am in entire sympathy with the views that the gentleman expresses in criticism of the resolution if the resolution is susceptible of that interpretation. However there are some facts——

Mr. HUDDLESTON. I do not yield to the gentleman further.

Mr. OLIVER of Alabama. I want to say that this provision——

Mr. HUDDLESTON. I have read the resolution.

Mr. OLIVER of Alabama. May I call the gentleman's attention to this provision?

Mr. HUDDLESTON. I can not yield further for the gentleman to try to cut the gizzard out of my argument by legal quibbles. [Laughter.] His is a typical House interruption—not trying to throw light upon the issue, but to hamstring the speaker.

Mr. SCHAFER. Will the gentleman yield?

Mr. HUDDLESTON. For the same purpose? [Laughter.]

Mr. SCHAFER. With reference to the preceding question by gentlemen favoring the resolution. Is not that practically repudiating the commission on the report they sent in at the close of the last session?

Mr. HUDDLESTON. I so interpret it. I do not know what other interpretation can be given. They propose to wipe out what the Muscle Shoals Commission did and start all over again.

Now, I want to say this. Electric energy is too valuable to be used for the production of power. I want gentlemen not familiar with the subject to consider that carefully. You can not afford to use electric energy to run street cars and to turn wheels; it is worth too much to industry to be used for such purposes.

What use do they make of the electric energy generated at Niagara Falls? What do they use it for?

In Buffalo, 30 miles away, practically all the power that is used is generated by coal hauled 200 miles from Pennsylvania. Electricity is too valuable at Niagara Falls to be used for lights and power by a city only 30 miles away. What is it used for? The biggest share of it is used by the aluminum company in smelting aluminum. The next biggest share is used by the Union Carbide Co. in producing carbide. Then there is the carborundum company and the concerns producing quick steel and steel alloys and various other things that require the electric furnace. They are the people who can use electricity to the best advantage. You can not afford to use it for power when you can use it in electric furnaces. Why is that? In electric furnaces from 2,500 to 3,500 degrees of heat may be developed. You can not generate that much heat by combustion, except with greatest difficulty. Somewhere from 1,200 degrees to 2,000 degrees of heat is about all that you can do with combustion. Therefore, when you are dealing with products that require this intense heat you must use the electric furnace. These are facts that I am stating to you.

The electric energy generated at Niagara Falls is worth twice as much to the aluminum company and the carbide company and the carborundum company and the steel-alloy concerns as it is to anybody for turning wheels or pulling street cars.

Mr. MORTON D. HULL. Does the gentleman consider that the use of the word "power" in the resolution excludes uses about which he is speaking now?

Mr. HUDDLESTON. Absolutely. Heat does not come from power; electric furnaces are not heated by power. Electricity never becomes power until it takes a certain form which adapts it to the turning of wheels and the pulling of cars. You do not use power in an electric furnace. You use energy. You exclude the electric furnace by using the word power. I do not think that the committee really meant to exclude bidders who want to heat electric furnaces. I do not think they really meant to say, "Oh, no; you shall not use any of this for industry." I do not think they meant that; I think they did not know just what they were doing. I am trying to be as light on them as I can. They were just ignorant. [Laughter.] I am sure I would never attribute to my good friend from Alabama, Mr. BANKHEAD, whom I love and respect, any thought except of the very highest and most patriotic, particularly as regards his native State. He is one of our very ablest and best Members. [Applause.] But I invite him to consider with all deliberation what I have said. Of course, he has his conscience, and that is a serious thing; but he also has the people of Alabama to answer to. If they know that there is a joker in this resolution, and believe that its purpose is to keep from bidding on Muscle Shoals those industrial interests that could use it to the best advantage, I do not think they will take it in very good spirit.

The thing for those to do who are responsible for this resolution is to put it before this House in such shape so that it can be amended. You bring this resolution here and say, "Here is this lozenge; swallow it, darn you, swallow it." Have all the Andy Gumps come to Congress? [Laughter.] Are we so simple that we will take the pill whether we like it or not? You will never get this resolution through the Senate in its present form. I suppose a good many will accept that as a justification for voting for it and say, "Oh, well, it will not pass anyhow." If that is the congressional method, God spare the country from it!

I do not favor Government ownership and operation for Muscle Shoals. It is not an ideal situation for such operation. If the supply of water was constant and it was a 365-day-a-year proposition as it is at Niagara Falls, I should say that it would be a crime against the country to turn it over to private exploitation. But it is not. The primary power is available there only from six to nine months in the year, and there are times during the year when there is only a very small amount of energy available because the water is so low. The ideal proposition for Muscle Shoals was the offer made by Mr. Ford. He could have operated Muscle Shoals at great advantage to himself and to the country. He would have used electric furnaces there to make the materials that he needs in his business. He would have operated the nitrate plant and instead of selling the power generally over the country and depending on that for the balance of his income, he would have gathered together a lot of workingmen and begun the production of aluminum and quick steel and other things that he needs for his automobiles.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. SNELL. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, I have constantly opposed every measure that has been brought in looking toward giving Muscle Shoals to private operation. I make no bones about that. I believe this plant, after the Government has spent over $140,000,000 upon it, should not be turned over to private operation. If I believed that this plant under private operation was going to provide cheaper fertilizer for the farmers of the country I might not oppose it. You are not going to get cheaper fertilizer, and the time is not distant when you will realize it. If all of the speeches in favor of private operation of Muscle Shoals made on the floor of this House could be converted into fertilizer we would have the richest soil on earth. I predict that the farmers of the country will derive no benefit. Fertilizer produced by a private corporation operating for profits will cost as much as it does to-day. This resolution is only a conscience easer. They are bringing in one resolution after another so that they will finally justify themselves in turning over this plant to private operation. It is a sham; it is a mockery. Do you not suppose the favored lessee

has already been selected; and yet in the last days of the last Congress we were told to vote for a resolution on a vive voce vote to appoint a commission to study the proposition, and when the commission finally decided that it is doubtful whether the plants can be profitably leased and the rights of the Government protected, and that in all likelihood against their own will Government operation is the only solution, you come in with a resolution immediately upon the publication of the report, and you are going to jam it through the House. I know I have not a chance in the world to defeat this resolution, but for the purpose of the RECORD I now prophesy that the distinguished gentlemen from the State of Alabama will be the first to see the folly of their attitude.

It will not take long for the country to learn that the greatest power plant in the world belonging to all of the people has been given to some favorite corporation for private profits. And it will not be long before the farmers of the country realize that they have been bunkoed again.

I have no quarrel with the Republican side of the House. Their President, the acknowledged leader of their party, recommends this measure, and you are going through with it, and you are assuming the responsibility for it. He is not only the acknowledged leader of the Republican Party, he is also, by acquiescence and by the conduct of the minority in this House, the leader of the present Democratic Party in this country. [Laughter.]

You can not get away from it, gentlemen. You are jumping through the hoop. You gentlemen on the Democratic side are more regular Republicans than the most regular on the Republican side of the House. [Laughter.] Why, if this conduct of the House continues, by which you acquiesce in everything that comes along in this bipartisan spirit, we should put a sign on the doors of this House reading, "Stop thinking, ye who enter here." We are not supposed to think any more. Recommendations and unanimous reports come out of committees. Time is limited. We virtually go on our knees asking for five minutes' time. It is given to us because they know we have not any chance at all. This morning that very important resolution of inquiry to the State Department was passed in the same way, and now you come along with the greatest project, the most valuable piece of property in the hands of the Government, and with the pretense that you are going to provide cheaper fertilizer you are going to jam it through. Oh, you are going to provide better dividends for some eastern investors!

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. SNELL. Is that statement of yours absolutely true as to the allotment of time? Did I not offer the gentleman five minutes? As fair as I was to you, do you say that?

Mr. LAGUARDIA. I submit to the gentleman that five minutes is not sufficient to oppose a measure of this magnitude. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SNELL. Mr. Speaker, I yield five minutes to the gentleman from South Dakota [Mr. WILLIAMSON].

The SPEAKER. The gentleman from South Dakota is recognized for five minutes.

Mr. WILLIAMSON. Mr. Speaker and gentlemen of the House, most of you people who are present to-day know my attitude as to Muscle Shoals and what I think ought to be done with it. There is one thing, however, that I think I shall be able to prove to the satisfaction of this House if I can get the time sometime in the future, regardless of what its attitude may be as to Muscle Shoals and its development, and that is that it can never be successfully operated as a fertilizer plant. The idea that we are going to get cheaper fertilizer as the result of the operation of Muscle Shoals or any lease that can be made is the sheerest kind of bunk. This cry of cheap fertilizer is a sham battle of the first order. It has not any basis of fact, and no facts can be established which would warrant anyone in believing that such can be secured by private or other operation. Any man who knows anything about chemistry, or anything about electric power, or anything about the manufacture of fertilizer, or anything about the new processes practiced in Europe, in Germany and other places where fertilizer is made, knows that you can not manufacture nitrates at Muscle Shoals by means of electric power in competition either with the importations or the domestic manufacture by chemical means. It simply can not be done. In other words, the idea of holding Muscle Shoals as a great fertilizer proposition for the benefit of the American farmer to my mind is nothing more than a camouflage held out here to deceive us respecting the real purpose of this resolution. Leasing the plant is not going to give us any cheaper fertilizer, and it is not going to give us any chance to get our money back.

In order to get cheaper fertilizer at Muscle Shoals what do you propose to do? What did the Ford proposition purport to do? You have got to pay to the operator of the nitrate plant an enormous subsidy in the way of free electric energy, and even then I doubt if it is possible to manufacture nitrates in competition with importers or with manufacturers using modern processes in this country.

Muscle Shoals can be operated by the Government beyond any possible question for industrial and power purposes, and be made to return its entire cost, however extravagant that may be, in a period of less than 30 years. That can be conclusively proven to any man whose eyes are not blinded and whose ears are not estopped to see and hear the facts.

What is the purpose of this resolution? Certainly the purpose of it is to prevent any possibility of governmental operation.

The gentleman from Illinois, Mr. McKenzie, stood before this House at the last session and defended the Ford proposition. He was against any kind of governmental operation. But, Mr. Speaker, like any other student who has given his time and attention to the question and honestly studied the facts, with a view to finding that solution which is the fairest and most just to the people, he was driven to the conclusion before he got through that the most feasible method after all was governmental operation. At any rate, that is the way I read his conclusion as head of the Muscle Shoals inquiry commission. This plant can not be leased for the purposes designated in this resolution or for the purposes designated in the original act and be made a success, and if it operated as a fertilizer proposition it will prove to be a white elephant on our hands.

If this resolution is adopted in its present form and the committee assigned to carry out its purpose brings in a recommendation in accordance with its terms, it is not going to release the stranglehold on the South so far as fertilizer is concerned. And what is more, it is going to find the clutches of the General Electric Co. and the Alabama Power Co. gripping its throat with added tension. You are not going to have any reduction in rates. Neither are you going to have very much additional power for industrial purposes. You are not going to have anything that will benefit the South to any great extent.

You can not ship fertilizer more than 300 miles; the freight cost is too heavy. The only kind of a fertilizer plant that is successful anywhere is a local fertilizer plant that takes care of its own territory. You can not ship fertilizer across the continent. You can ship it only within comparatively short distances for local consumption. In addition to that, so far as that feature is concerned, I object to the plant being held out as a fertilizer proposition and the attempt to make the American farmer believe that it is going to benefit him by providing cheaper fertilizer when it ought to be known that this will not be the result. [Applause.]

Mr. GARRETT of Tennessee. Mr. Speaker, I yield three minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER of Alabama. If this resolution was susceptible of the interpretation which the gentleman from Alabama, my colleague [Mr. HUDDLESTON], seems to think, no Representative from any of the States adjacent to Muscle Shoals would favor its passage. The resolution, in my opinion, will confer on any special committee that may be appointed thereunder full authority to consider any lease of this property in line with the terms, conditions, and purposes proposed in the offer submitted by Mr. Ford, subject to two limitations—one that no part of the property is to be sold and the other that no lease shall extend for more than 50 years. The Rules Committee by the resolution emphasizes its desire and the desire of the House that any special committee appointed thereunder must give special consideration to offers in line with the Ford proposal. This clearly appears from its reference to H. R. 518, Sixty-eighth Congress, first session, which bill embodied the Ford proposal in full. The chairman and other members of the Rules Committee have stated this to be their interpretation of the resolution, and if it passes no committee appointed could question their authority to consider a lease along these broad lines. Let me read a part of the resolution:

> The committee is authorized and directed to conduct negotiations for a lease of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., for the production of nitrates primarily and incidentally for power purposes, in order to serve national defense, agriculture, and industrial purposes.

The word "incidentally" is clearly intended to emphasize the words "for the production of nitrates primarily," and to call attention to other general purposes which the power can serve. Following this language, other words appear in the resolution showing it to be the purpose of Congress that such benefits to the Government and agriculture as were promised in the Ford offer must be conserved and safeguarded. The gentleman from Alabama [Mr. HUDDLESTON], in his analysis of the Ford offer, calls attention to the fact that it was Mr. Ford's purpose to use the power in connection with the production of aluminum and other products of general use; certainly, then, there is nothing in this resolution that would prevent one submitting a proposal for the lease of the property from using the power for the very purposes the importance of which the gentleman from Alabama has stressed.

In my judgment, this House will not approve any lease of the property set out in this resolution, unless such lease clearly promises a substantial reduction in the present cost of commercial fertilizers to farmers, and reasonable rates to consumers of any surplus electric energy that may be sold by the lessor. If such results can not be guaranteed by private operation, I feel the Government must maintain and operate the plants. In this connection, I wish to quote from remarks made by me in the last Congress, as follows:

The testimony of the experts as brought out in the extensive hearings before both Senate and House committees was remarkably unanimous in one respect, for all agreed that a reduction of approximately 50 per cent in the cost of fertilizers to the farmers could reasonably be expected to follow the efficient operation of the Muscle Shoals nitrate plants.

In order to illustrate the importance of such a saving to the farmers of States adjacent and near to the Tennessee River, as compared with any possible saving to power consumers of these States, consider how the expenditures of farmers for fertilizers in Tennessee, Mississippi, Alabama, Georgia, and the Carolinas, as shown by the last census, compares with the total expenditures of the public for all public utility electric power purchased in these States as recently as 1922.

The fertilizer bill of the farmers of these States amounted to $169,419,329 while the entire sales of electric power by all public utilities in these States totaled only $65,396,740. A saving of 50 per cent in the cost of fertilizers, therefore, would be a greater financial benefit to the public than the free gift of the electrical power to every consumer in these States, for a saving of about $85,000,000 would pay the entire electrical power bill, with nearly $20,000,000 to spare.

From what has just been shown, it must be clear to all that the Government's property at Muscle Shoals and the power possibilities of the Tennessee are indeed a great national asset—which must be conserved and used in times of peace primarily for the benefit of agriculture, to which high purpose it was dedicated by the national defense act of 1916.

Surely no one will deny that the Government here has an opportunity to render a real service to farmers, and through them to the Nation, of such transcendent importance that it would indeed be criminal either to long delay or to fail to make wise and effective use of such an opportunity.

We have now reached that point in our growth and development when our agricultural resources must be considered—not only from the standpoint of farmers, following a particular occupation for profit, but also bearing in mind that agriculture is a great public interest, a great public business, having an ever-growing influence and bearing upon the fortunes of our Nation and race—for nothing is truer than that agriculture is the great mothering occupation for the maintenance of civilization. [Applause.]

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. SNELL. Mr. Speaker, I yield five minutes to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Speaker and gentlemen of the House, this matter is vital to the farmers of the Nation as well as to national defense.

On the 4th of March, 1924, the House took up the consideration of the rule under which the McKenzie bill was discussed, and the House spent weeks in a full discussion of H. R. 518, dealing with Muscle Shoals, and the amendments which were offered to it. H. R. 518 then went to the Senate; the Senate proposed an entirely new bill, based on an entirely different theory, and the bill, with the proposed amendments, did not pass.

This concurrent resolution, providing for a joint committee, to be known as the Muscle Shoals Committee, does not make any final disposition of the Muscle Shoals question, but this proposed resolution does, we all hope, put the Muscle Shoals proposition into shape for final disposition. It ought to be settled, and this resolution is so broad in its terms that it ought to provide, and apparently does provide, an ultimate method for the solution of this question. The joint committee proposed to be created by this resolution is not to have any final power; final power rests entirely with the House, but this joint committee is authorized to negotiate for a lease upon the general terms, so far as possible, for national-defense purposes and agricultural purposes that were set forth in H. R. 518.

Now, on March 4, 1924, on page 3561 of volume 65, part 4 of the RECORD of the Sixty-eighth Congress, first session, I presented to the House an analysis of H. R. 518, which is as follows:

M'KENZIE BILL, H. R. 518

1. (b) Ten million dollars of capital (one company); personal liability of Ford limited to formation of corporation with above capital, owned by Americans:

2. (b) United States deeds to company property costing:

Nitrate plant No. 1	$12,888,000
Nitrate plant No. 2, including 90,000-horsepower steam plant	66,252,000
Waco Quarry	1,303,000
New 40,000-horsepower steam plant and transmission line to be erected by Government	3,472,000
Total	83,915,000

3. (b) In addition to deeding above properties, United States also leases for 100 years the water-power plants, disregarding Federal water-power act.

4. (b) Agrees to make 40,000 tons annually of fixed nitrogen.

No promise as to amount or cost of power.

To maintain nitrate plant No. 2 or its equivalent (estimated by Ordnance Department to cost not over $100,000 per annum or $10,000,000 in 100 years).

In case of war 40,000 tons of nitrogen available.

5. (b) No forfeiture of nitrate plants, steam plants, or quarry for violation of agreement; forfeiture under certain conditions of water-power lease. Government loses control and ownership of both nitrate plants, steam plants, and quarry, except may take over plant No. 2 in case of war on "protecting company from losses occasioned by such use, and shall return the said property in as good condition as when received and reasonably compensate company for the use thereof."

6. (b) No right of recapture as to nitrate plants, steam plants, and quarry.

Ford has preferred right to renew water-power leases at end of 100 years.

7. (b) In absence of express stipulation, courts would be required to value power leases in proceedings to take over power plants by Government if that should ever be desirable.

8. (b) No regulation of rates, service, or security issues.

Profits not regulated except as to fertilizer.

9. (b) Power available only to Ford plants at Muscle Shoals.

10. (b) Offers $1,527,512.75 for both nitrate plants, steam plants, and quarry, costing Government over $80,000,000, and divests Government of title to same.

No sum for research work.

11. (b) Pays nothing for headwater improvements.

12. (b) Rental Dams Nos. 2 and 3 for 50 years, $103,866,654; total for 100 years, $219,964,954.

In that bill (H. R. 518) there was a provision for a 100-year lease; there was a provision for the sale of certain properties, and the ones of us in the House who fought that bill fought it solely on those grounds.

This resolution is as follows:

Resolved by the House of Representatives (the Senate concurring), That a joint committee, to be known as the Joint Committee on Muscle Shoals, is hereby established to be composed of three members to be appointed by the President of the Senate from the Committee on Agriculture and Forestry and three members to be appointed by the Speaker of the House of Representatives from the Committee on Military Affairs.

The committee is authorized and directed to conduct negotiations for a lease of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., for the production of nitrates primarily and incidentally for power purposes, in order to serve national defense, agriculture, and industrial purposes, and upon terms which so far as possible shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518, Sixty-eighth Congress, first session, except that the lease shall be for a period not to exceed 50 years.

Said committee shall have leave to report its findings and recommendations, together with a bill or joint resolution for the purpose of carrying them into effect, which bill or joint resolution shall, in the House, have the status that is provided for measures enumerated in clause 56 of Rule XI: *Provided*, That the committee shall report to Congress not later than April 1, 1926.

It provides for a final settlement of the whole matter on the basis of a lease not to exceed 50 years, for the best interests of

agriculture and national defense, and I am in favor of this resolution and shall vote for it. I have always favored the development of Muscle Shoals for nitrates for fertilizer for the farmer in peace and nitrates for powder in war. [Applause.]

Mr. Speaker, I yield back the balance of my time.

Mr. GARRETT of Tennessee. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has four minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, it seems to me that my friend from Alabama [Mr. HUDDLESTON], and the gentleman from New York [Mr. LAGUARDIA]—the former particularly—are unduly exercised about this resolution. The gentleman from Alabama complained that we did not find in this a political issue upon which to draw party lines. I do not see where there was any opening for any political issue on this proposition. I do not see where the making of fertilizer for the use of the farmers presents any more of a Republican proposition than it does a Democratic proposition. [Laughter and applause.]

Mr. SCHAFER. Will the gentleman yield?

Mr. GARRETT of Tennessee. I yield.

Mr. SCHAFER. Does it not present the same kind of a proposition as the question of the revision of the tariff?

Mr. GARRETT of Tennessee. Well, I do not think so. What is there Republican or Democratic about putting fertilizer under a plant in order to make it grow? [Laughter and applause.] I do not know of any; there may be a political issue, but I do not know what it is or where it is.

Mr. O'CONNELL of New York. In other words, neither party has a monopoly of it.

Mr. GARRETT of Tennessee. No. Now, as a matter of fact, the alarm of the gentleman from Alabama about the surplus power not being permitted to go into industry is wholly unfounded. Here is what is in the minds of the committee. We tried to express in general terms a guide for this commission which is being created, and the thought was for them to follow as closely as possible, and taking changed conditions into consideration, what was laid down in the Ford offer. That is the whole proposition. And let me say to the gentleman from Alabama and to the other gentlemen who are opposed to this matter that every man who from the beginning has been devoted to the development of that industry for the purposes provided for in the act of 1916, so far as I know, stands for this resolution and is perfectly satisfied with its terms. [Applause.] The effort to inject a political issue and the criticism which the gentleman makes of the members of his own party because they did not seize upon this in an effort to play some sort of partisan politics seems to me to come with rather bad grace from the gentleman from Alabama. I can understand the gentleman from New York, who says he is in favor of Government operation. That would make an issue, but the gentleman from Alabama declares himself opposed to Government operation. I am opposed to it, too, in the beginning; but let it be said here and now, because it ought to be said, that this matter has stood long enough. For seven years now that plant has been held there in a stand-by condition. This gives an opportunity for a private lease. This commission is created, and if it is unable to obtain that lease let me say here and now that there is but one alternative. That plant can not be abandoned; it is the greatest plant of its kind in the world. The gentleman talks about power being too valuable to use in that plant. He tells us of the power and the use of it at Niagara Falls, yet the gentleman must surely know that the only cyanamid plant in America was run at Niagara Falls and run by power from Niagara Falls. This resolution ought to pass. [Applause.]

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. SNELL. Mr. Speaker, I have listened to the debate on this resolution, and inasmuch as the only opposition presented on the floor comes from the gentleman from South Dakota [Mr. WILLIAMSON], who objects because it comes as a unanimous report from the Committee on Rules, I will not take any further time of the House but shall ask for a vote on the resolution.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. HUDDLESTON) there were—ayes 248, noes 27.

Mr. HUDDLESTON. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. Those in favor of taking this vote by the yeas and nays will rise and stand until counted. [After counting.] Eleven gentlemen have risen, not a sufficient number, and the yeas and nays are refused.

So the resolution was agreed to.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CRAMTON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6707) making appropriations for the Interior Department for the fiscal year ending June 30, 1927, and for other purposes.

Mr. BLANTON. Mr. Speaker, I reserve a point of order just to make this statement: If it were not for the fact we are to have three days of general debate on this bill I would urge a point of order at this time against taking up a bill before it is printed; but the gentleman from Michigan assures us that we are to have three days of general debate, which will give us plenty of time to study the details of the bill, and therefore I shall not make any point of order.

Mr. CRAMTON. Mr. Speaker, pending that motion——

Mr. WILLIAMSON. Mr. Speaker, reserving a point of order——

Mr. CRAMTON. If the gentleman will withhold his point of order, I think my statement will satisfy him. The action of the Committee on Appropriations in calling up this bill the day it is presented to the House is entirely to suit the convenience of the House and not of the committee. In the desire of the House leadership to have business before the House the Committee on Appropriations has expedited the preparation of this bill and has presented it to-day, the second day after the recess.

Mr. BEGG. Will the gentleman yield?

Mr. CRAMTON. It is the purpose to have nothing to-day and to-morrow, and probably most of Thursday, but general debate, because so many Members have conveyed to us a desire to speak. So that there will be considerable general debate, and nothing to-day certainly but general debate, and it is only in response to the request of these gentlemen for an opportunity to discuss matters of interest to them and matters of importance that we are making this request to-day.

Mr. BEGG. The gentleman is not just taking it for granted that his motion is in order, if anybody should make a point of order?

Mr. CRAMTON. Until a point of order is made I am not passing on that question. I have not given it attention, because I will say to the gentleman that the Appropriations Committee has no desire to bring in an appropriation bill under conditions where the House does not feel it has had sufficient notice of it.

Mr. BEGG. If the gentleman will permit, that is not the point of my question at all, and I am the last man who would do anything to prevent consideration of a bill expediting the business of the House; and not having looked it up, I may be in error, but I am certainly of the opinion at this minute that there is nothing on the calendar for consideration. The report on the Interior Department bill has only been filed, and I do not know under what grounds other than silent unanimous consent it could be taken up.

Mr. CRAMTON. If the gentleman will permit, the gentleman says he has not looked up the question, and I have not looked it up, and therefore do not care to express an opinion, because I do not consider it a question of importance. We really only desire to bring the bill up under conditions of virtual unanimous consent.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. I will.

Mr. BLANTON. The gentleman from Connecticut and the gentleman from Michigan should both know that a point of order would be good against taking up this bill until it has been printed and until it has laid over a day; but, of course, when we are going to have plenty of time to consider it during the next three days, no one, I presume, would want to make a point of order against it, because all that any of us are asking is that we have sufficient time to study a bill carefully before it is read for passage, and all of us are in favor of expediting the business of the House.

Mr. TILSON. Mr. Speaker, I deem this matter of sufficient importance to have it decided now. I am so confident that there is nothing in our rules to prevent the immediate consideration of a bill of this character as soon as it has gone on the calendar that I am perfectly willing to have it submitted to the Speaker and have him decide it now, so that the question may not come up again.

Mr. BLANTON. It is too late to submit a point of order to the Speaker now, because there has been argument.

Mr. TILSON. There has been no argument on the point of order.

Mr. BLANTON. There has been argument on my reservation.

Mr. BEGG. No.

Mr. BLANTON. Then, Mr. Speaker, under my reservation and in order to get a decision—I do not know what the Chair

is going to hold, and, so far as that is concerned, I do not care, but I do know it has been the practice of this House for the nearly 10 years I have been here that no regular supply bill from the Committee on Appropriations can be taken up and discussed until it has been printed and has laid over one full day unless it is done by unanimous consent.

Mr. SNELL. Will the gentleman yield for a question?

Mr. BLANTON. I yield to the gentleman.

Mr. SNELL. Will the gentleman show me a provision of the rules that says it must lay over for one day?

Mr. BLANTON. That is the custom.

Mr. SNELL. Will the gentleman show me any provision in the rules that provides that?

Mr. BLANTON. That has been the custom.

Mr. SNELL. We are talking about the rules, not custom or practices.

Mr. BLANTON. I admit there is no such rule, but I can show you precedents where on one occasion Mr. Joe Walsh, of Massachusetts, raised the question, and where Mr. Mann, of Illinois, raised the question, and where other Members of this House have raised the same question, that such a bill must be printed and lay over for one day.

Mr. SNELL. The gentleman did not answer my question. I want to know the provision he refers to in the rules. When you raise a point of order you must have some provision of the rules in mind to maintain your point.

Mr. BLANTON. There are customs in this House which are not written into the rules that come from the gentleman's Committee on Rules but which are nevertheless observed by the House. Long custom here makes the precedents of the House, and where the question has been raised the Chair in each case has decided that such bills must be printed; but I am willing, if the Chair wants to do it, for the Chair to decide now that the Committee on Appropriations has a right to bring in bills of 110 pages, such as this will contain, and seeking to appropriate $226,473,638 of the people's money, such as this bill seeks to appropriate, without a single Member knowing what all is in such a bill. I think the membership of this House ought to know what is in these supply bills, and I do not think the Committee on Appropriations ought to be permitted to bring in a bill here until it has laid over at least one day, so as to give us an opportunity to study and know what is in the bill, and therefore I submit the point of order to the Chair.

And the Chair understands that I only make it because the majority leader asks it be made, and we ought to have a ruling so that we may know how to proceed in the future. He wants a decision of the Chair, and he seems to anticipate what the decision of the Chair will be, but I do not think he knows what the Chair is going to decide. [Laughter.]

Mr. CRAMTON. Mr. Speaker, it is not my desire to discuss the point of order, the merits of which I have not investigated and which is not raised by the desire of the Appropriations Committee. I simply want to say that the Appropriations Committee regards itself as the servant of the House, and it appearing to be the unanimous desire of the House to proceed with the general debate to-day we have sought to call this bill up in order that Members may have the opportunity, having given assurance that the actual consideration of the bill by paragraphs will not be attempted to-day, but to engage in general debate. The point of order has been raised and gentlemen here are prepared to discuss it. I simply want the attitude of the Appropriations Committee placed before the House.

Mr. SNELL. Mr. Speaker, unfortunately we are not discussing the policy of doing this or whether we approve or not. The question is: Has the committee the right to do it? Section 56 of Rule XI provides—

> The following-named committees shall have leave to report at any time on the matters herein stated.

Among other committees it says:

> The committees having jurisdiction of the general appropriation bills.

It is the same provision under which the Committee on Rules has reported at any time, although there was a modification of it as far as the Rules Committee is concerned in the last Congress, but as far as I know there is no provision in the rules which has changed the provision of the rule with reference to the Committee on Appropriations reporting at any time. They have here reported the regular Interior appropriation bill. It is a general bill, entirely within the meaning and understanding of the rule, and no one has pointed out or suggested any provision in the present rules that prohibit its being taken up immediately. Certainly no point of order can lie against it, and the committee is entirely right in asking immediate consideration.

Mr. WILLIAMSON. Mr. Speaker, I want to call attention to the fact that we have here only a copy of the committee print of the Interior Department appropriation bill. It has not been available to the Members of the House until within the last hour. My own case is typical of the situation in which many of the Members find themselves. The committee has made no provision for the maintenance of the Belle Fourche project in my district that has cost the Government over $3,500,000. They are going to lay it aside, put it on the shelf, by withholding an appropriation. That is an illustration of what will continue to happen if bills are to be taken up without any opportunity to examine their provisions in advance. The Belle Fourche project is of great importance to my district and to the Nation as a whole. I submit that it is unfair to press the bill for immediate consideration. It is unfair to the Membership of the House to bring up a bill for consideration before the bill is available to Members and before there is an opportunity to examine its provisions.

Mr. BLANTON. Mr. Speaker, I withdraw the point of order.

Mr. LAGUARDIA. Mr. Speaker, I make the point of order.

Mr. BLANTON. Too late to do it now.

Mr. LAGUARDIA. Oh, no; it is not.

Mr. WILLIAMSON. I have reserved a point of order.

Mr. SNELL. Mr. Speaker, I wish to call attention to a further provision in the manual:

> The right of reporting at any time gives the right to immediate consideration of the House.

That is a part of clause 7, Rule XXIII in the manual.

Mr. TILSON. Mr. Speaker, I think there can be no question as to the point of order. It is clearly in order to call up this bill now.

I wish to call attention to some questions of fact raised, which I think ought not to go unchallenged. It was the gentleman from Texas, I believe, who spoke of the bill not being on the calendar. I heard this bill reported to-day and heard the announcement from the desk that it was referred to the Committee of the Whole House on the state of the Union. Therefore it went immediately to the calendar and is now on the Calendar of the Whole House on the state of the Union.

As to a copy of the bill being available, the gentleman from Michigan [Mr. CRAMTON] stated this morning when he brought in the bill that there were copies of this bill already printed and available for the membership of the House, the only difference being that these copies of the bill do not contain the number of the bill. In other words, the bill had been printed just as later introduced, but, of course, the committee did not know the number of the bill in advance. The bill which has been printed is available as introduced, and nobody would be taken by surprise even if we now proceeded to consider the bill under the five-minute rule, which there is no intention of doing.

Mr. RUBEY. Does the gentleman say that copies of the bill are now available?

Mr. TILSON. I hold in my hand a copy of the bill and also a copy of the report, both of which are available to the membership of the House, so that there is no question of a surprise.

Mr. CRAMTON. Mr. Speaker, the real situation is that requests for general debate would indicate that there is a very good prospect that there will be three days before consideration of the bill under the five-minute rule is reached, in which time the membership will have plenty of time to familiarize themselves with the provisions of the bill.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. LAGUARDIA. What is the number of the bill?

Mr. CRAMTON. The clerk at the desk has the number. I have not the number at hand.

The SPEAKER. The Chair is prepared to rule.

Mr. COOPER of Wisconsin. Mr. Speaker, I want to ask the gentleman from New York [Mr. SNELL] a question. Does the gentleman think that it is good practice, that it is treating the membership of the House with proper consideration, they being national legislators, to bring in a bill which appropriates over $100,000,000 and have them immediately begin its consideration without any opportunity for them to become acquainted with its provisions?

Mr. SNELL. Mr. Speaker, in reply to the gentleman let me say that I am not discussing whether I think it is right or not. I am discussing whether a committee has a right to do it under the rules of the House.

Mr. COOPER of Wisconsin. The gentleman will admit that there are very many things that are considered improper, even indecent, in good society that are not expressly prohibited by written law. Mr. Speaker, it strikes me that of all of the extraordinary attempts to work in pure machine politics this is

one of the most remarkable illustrations I have yet seen in all my career in the House.

Mr. SNELL. It has been on the bulletin board for three days that we expected to consider this bill this morning.

Mr. COOPER of Wisconsin. That has nothing to do with it. You are bringing in a bill for immediate consideration, and if you can bring this bill up for consideration in this way without any opportunity for the rest of us to examine it, the Appropriations Committee can bring in any other bill in the same way. It does not give the House a fair chance.

The SPEAKER. The Chair is prepared to rule. The Chair is quite prepared to concede that as a general rule it is better procedure in reporting a bill of grave importance like this—an appropriation bill—to permit it to lie over for one day. The Chair is not called upon to rule on that question, however. If he were, on this particular occasion he would say that the most abundant fairness is given to every Member of the House, in view of the statement of the gentleman from Michigan [Mr. CRAMTON], in charge of the bill, that there will be three days of general debate; but the Chair is not called upon to decide that question. The only question before the Chair is whether under the rules it is in order to bring up for consideration a privileged bill on the day on which the bill and the report are presented. There is no question in the Chair's mind on that point at all. There is nothing in the rules that provides that a bill of this sort, a privileged bill, shall lie over for one day. Even in the case of bills not privileged there is nothing in the rules which provides that while the report and the bill must be printed they can not be considered on the day they are reported. The Chair does not think there is any possible doubt about the situation in this case. The Chair, therefore, overrules the point of order.

Mr. CRAMTON. Mr. Speaker, the requests for time in the discussion of the bill have been so numerous that I think it would not be safe to fix the limit for general debate at this time without a chance of doing injustice to some Members who either desire to debate the bill or to study its provisions before it is taken up under the five-minute rule. Therefore at this time I simply request that the general debate upon the bill be equally divided, one-half to be under the control of the gentleman from Oklahoma [Mr. CARTER] and one-half by myself.

The SPEAKER. The gentleman from Michigan asks unanimous consent that general debate upon the bill be divided equally, half to be under the control of the gentleman from Oklahoma [Mr. CARTER] and half under the control of himself. Is there objection?

Mr. WILLIAMSON. Mr. Speaker, reserving the right to object, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. WILLIAMSON. When does the gentleman expect to bring up the matter of fixing the time for debate? The first thing in the morning?

Mr. CRAMTON. It is my idea that we would let the debate proceed until we have a fairly accurate idea as to the amount of time that will be necessary, it being the desire of the committee to give the fullest possible opportunity for debate on the bill. My reason for not fixing the time now is not that we might fix too long a time, but that we might fix too short a time.

Mr. WILLIAMSON. I do not desire to object, if that is the case.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Michigan that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the Interior Department appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the Interior Department appropriation bill, with Mr. BURTON in the chair.

The Clerk read the title of the bill.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. HOWARD. Mr. Speaker, reserving the right to object, I desire to ask a question for information. Does the gentleman from Michigan know whether or not this bill contains a little item of appropriation on behalf of the Omaha Indians?

Mr. CRAMTON. Is that an item that had some consideration in the last Congress?

Mr. HOWARD. Yes.

Mr. CRAMTON. And that failed of enactment?

Mr. HOWARD. Yes.

Mr. CRAMTON. That item is not in the Budget and is not in this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. HOWARD. Mr. Chairman, just a moment. I do not talk as rapidly as some of the others, and I might get down to a real objection pretty soon—but I guess I will not.

Mr. BLANTON. Mr. Chairman, reserving the right to object, the gentleman from Michigan does not mean to tell the committee that there are no items in this bill which have not been approved by the Budget?

Mr. CRAMTON. No; I would not say that.

Mr. BLANTON. He has put some in this bill, and why did he not put in the gentleman's item?

Mr. CRAMTON. The gentleman from Nebraska asked me a question, and I answered him fully; but I did not think his question demanded of me that I give all of the reasons also.

Mr. BLANTON. I did not want the gentleman to intimate to the House that he was not putting anything in the bill except what the Budget permitted.

Mr. DOWELL. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is demanded. Is there objection? [After a pause.] The Chair hears none and the first reading is dispensed with.

Mr. CRAMTON. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY. Mr. Chairman, just before we adjourned for the holidays my colleague from Pennsylvania [Mr. PHILLIPS] placed in the RECORD some 12 columns of observations upon important constitutional subjects. His speech has since been issued in pamphlet form, under the title "Constitutional Innovations," and widely distributed.

The gentleman from Pennsylvania [Mr. PHILLIPS] announces that the four constitutional amendments adopted in our own times—those providing for the income tax, direct election of United States Senators, prohibition, and woman suffrage—are in violation of the spirit of the Constitution of the United States.

My colleague preaches a strange doctrine in a people's government. He proves that Burke was in error when he declared it impossible to indict an entire nation. In this speech not only the fundamental principles of the American Republic are indicted, but the American people as well.

The grave responsibility resting upon those who favor these amendments is expressed in this rather involved fashion:

> The legislator who does or the individual who would trespass upon or do violence to the spirit of the Constitution is a greater menace to our representative form of government than he who breaks its letter.

In other words, the Member of Congress who favors any or all of these constitutional enactments is doing a deadlier injury to the Republic than the willful violator of the mandates of the Constitution and the laws made in harmony therewith.

Certainly that doctrine may well be termed an "innovation." Surely it is a new and startling theory that the legislator or citizen who faithfully supports the Constitution in its entirety, amendments and all, is perhaps unconsciously but none the less in reality assailing the spirit of our Government and is guilty of worse than open crime.

As could be expected, my colleague can identify the spirit of the Constitution. He has isolated the life germ of that great charter. He can put his hand upon it, weigh it, and measure it as a substantial, material thing.

He says:

> These four things embody the spirit of the Constitution: The dual form; the independence of legislative, executive, and judicial departments; the republican form in sharp contrast to a democracy; and the limitations on the powers of majorities.

Even from such a premise the conclusions reached by the gentleman are not warranted. But I believe the premise to be wholly mistaken. These four things cited are no more the spirit of the Constitution than the hands and feet are the spirit of man. These features are but mechanical contrivances to carry out the spirit of the Constitution—the wisest and best contrivances that could be invented when the Constitution was adopted. Conceivably every one of them could be profoundly modified in the light of new and changed conditions and yet the spirit of the Constitution remain untouched.

If the spirit of this great charter of free government can be defined in its own words, it will most reasonably be found in

that immortal summary of its fundamental purposes and the power which created it, known as the preamble.

We, the people of the United States, do ordain and establish this Constitution for the United States of America.

There is the sovereign power that controls and directs all the mechanical contrivances which make up the machinery of government.

Of our system of government—

Said Daniel Webster, one of the greatest exponents of the Constitution in our history—

the first thing to be said is that it is really and practically a free system. It originates entirely with the people and rests on no other foundation than their assent.

James A. Garfield, who lived in a later generation, expressed it just as faithfully when he said:

Territory is but the body of a nation; the people who inhabit its hills and its villages and its soil are its spirit and its life.

Now, Mr. Chairman, why did the people ordain and establish the Constitution of the United States? Certainly not for the purpose of creating a dual form of authority between Nation and State; not to set up independent branches of government and to devise checks and balances between them. No; these were but devices deemed best by the founding fathers in 1789 to carry out the real purpose of the new Government.

What was this foundation purpose? It was then, and it is to-day—

to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty.

Mr. Chairman, the Americans who wrote the Constitution and the Americans who ratified it were not afraid of constitutional "innovations." If they had been, we would not be citizens to-day of a free and independent nation. Their masterly charter was the greatest constitutional innovation in the world's history.

Nor did they believe that wisdom would die with them. They knew that new conditions would teach new duties, and they expressly provided the method by which changes in their Constitution could be made. That was an act of great wisdom, and it was an act of such faith in the people that it should be encouraging to the despairing soul of my colleague.

The four amendments which this generation has added to the Constitution and which have aroused the gentleman's indignation were all submitted and ratified in constitutional form. A vast majority of the people, acting not even as a democracy, but through their chosen representatives, declared them in harmony with the Constitution and made them a part of the organic law of the land. Who now is to declare them to be in violation of the spirit of the Constitution?

No, Mr. Chairman; Abraham Lincoln spoke, as he always did, the true American philosophy when he said:

A majority held in constraint by constitutional checks and limitations, but always changing easily with deliberate change of popular opinions and sentiments, is the only true sovereign of a free people. Whoever rejects it does, of necessity, fly to anarchy or to despotism.

My colleague [Mr. PHILLIPS] does not deny that these constitutional amendments were the result of the deliberate will of a majority of the American people. He impugns the wisdom of that popular will. He argues that the people themselves are driving the Government toward a most deplorable democracy.

Well, some of us are not so terror-stricken at the thought of democracy, which after all means only a government of the people, for the people, and by the people. Some of us will even risk the scorn of the gentleman from Pennsylvania by saying that we believe the remedy for the ills of democracy is more democracy.

We will be in good company. Some great Americans have held that opinion. I remember that once that great heart in American politics, Theodore Roosevelt, said:

I believe in pure democracy. With Lincoln, I hold that "this country, with its institutions, belongs to the people who inhabit it. Whenever they shall grow weary of the existing government they can exercise their constitutional right of amending it." I believe that the people have the right, the power, and the duty to protect themselves and their own welfare; that human rights are supreme over all other rights; that wealth should be the servant, not the master, of the people. I believe that unless representative government does absolutely represent the people it is not representative government at all. I test the worth of all men and all measures by asking how they contribute to the welfare of the men, women, and children of whom this Nation is composed.

Some sage has said that the greatest man is he who has greatest faith in mankind. Under that definition Theodore Roosevelt can qualify. My colleague [Mr. PHILLIPS] can not.

He says:

Our Government was not in its inception or conception paternalistic or socialistic, and our forefathers sought by law, by precept, and example to prevent it from becoming a democracy. The fourth section of the fourth article provides, "The United States shall guarantee to each State in the Union a republican form of government."

The gentleman from Pennsylvania should remember that it was James Wilson, of Pennsylvania, one of America's greatest statesmen and believers in democracy, who wrote that clause in the Constitution.

My colleague [Mr. PHILLIPS] must deeply deplore the record made by this Constitution builder from the Keystone State. The very things he implies as paternalistic, socialistic, and democracy breeding James Wilson fought for with all his great power. He battled for direct election of United States Senators 127 years before it was made a part of the Constitution through action so much regretted by the gentleman from Pennsylvania.

Every speech he made showed James Wilson's heartfelt conviction in the right of the people to rule directly. He stood like a rock for nationalism against State sovereignty, for human rights above property rights. In one of his speeches he said:

In this new Government the supreme, absolute, uncontrollable power remains in the people. As our Constitution is superior to the legislature so the people are superior to our Constitution.

It was this man who wrote the clause guaranteeing a republican form of government to every State. His own reason for its adoption was that it would "prevent a State from obstructing the general welfare."

It is strange indeed to hear a Pennsylvania Congressman use this formula of a great Pennsylvania advocate of democracy and the rights of the people of the Nation as an argument against the right of the majority to rule.

My colleague assails the income tax as socialism. He is mistaken. It is an antidote to socialism. The greatest step we could take to-day toward Karl Marx socialism would be the repeal of the income tax and the announcement that Congress proposed to levy all tax burdens upon those least able to pay. The minority who now oppose it because they do not desire to bear their fair share of the expenses of government would then learn more about socialism than they have ever known.

He assails the direct election of United States Senators as a step toward the enactment of "sudden, emotional, ill-considered, even though popular demands for innovations."

He should confer with Vice President Dawes, who assures all who will listen that a very small minority in the Senate can prevent the passage of even well-considered, unemotional legislation.

But aside from that, the argument that in a people's government, a "popular" demand should be heroically refused by certain carefully sifted-out and selected supermen, is opposed to fundamental Americanism. Tragic indeed will be our situation when the only barrier to prevent the American people from rushing to destruction, like the Gadarene swine, will be a few supermen, disdainful of popular demands.

My colleague is also out of patience with the amendment granting suffrage to women. He says:

By adopting the ninteenth amendment we took our most recent step in the direction of democracy. That women had a perfect right to demand the ballot can not be questioned, but in view of the indifference of men in regard to their franchise obligations, it might have been better to restrict the voting privilege to men and women who possess sufficient educational qualifications to enable them to vote intelligently.

Now, Mr. Chairman, if that means anything at all, it means that we should restrict suffrage in order to get out a larger vote. As to voting "intelligently" it can be clearly seen by the speech of my colleague that only those educated to the pinnacle point of perceiving the lurking dangers of democracy, income tax, prohibition, direct election, and such other foolish attempts to let the people rule would pass the test with him.

"Woman suffrage," he says, "has increased the tendency toward paternalism in government." Why should my colleague complain? He is really a strenuous advocate of paternalism. He wants a very few, fatherly, wise men, selected by those who hold the same opinions as himself, to safely guide the reckless, childlike American people along the safe and sane pathway.

Woman suffrage and other extensions of the suffrage have not brought paternalism. On the contrary, it has advanced the principle of fraternalism, of self-help, of action by the people in their own interests.

However, the gentleman from Pennsylvania turns his heaviest guns against the eighteenth amendment. Here is the real head and front of the offending of the American people. The other amendments are dangerous innovations, but the prohibition amendment has "carried us still further into the maze of democracy." Unless the immediate right-about-face is executed we shall all perish.

Look you, says my colleauge in his first indictment—

Many of the evils of which we were warned by the anitprohibitionists before the amendment was adopted have come upon us.

What warnings? They said the Government would go into liquidation because of the loss of taxes. The pending bill cutting taxes by $325,000,000 a year indicates that the Government has survived the loss of the money it received from an unholy partnership. They said real-estate values would slump and grass would grow in the city streets because of the closing of the corner saloon. Never were real-estate values so high, new building operations so great, or business so tremendous. They said starvation would come to the workers because of the destruction of their sources of living. There is less unemployment than at any period in our history.

Yes; but they did warn us of another thing. They warned us that prohibition could not be made effective. They warned us that they would not obey the Constitution or the law. They said:

We will help make crime so rampant that America will be glad to welcome back the liquor traffic.

They said:

Write your proposal in the Constitution. We will make it a mockery and a scoffing.

My colleague says that warning has come true. He portrays the localities where prohibition has been—

followed by illegal saloons more dangerous to health, more corrupting to politics, and more demoralizing to society than the saloon when it operated under the sanction of the law.

Is it an argument against a law when lawbreakers refuse to obey its provisions? Are violations of a law reasons for its repeal? Is not such a situation as is outlined rather a challenge to answer the question, Shall law or liquor rule in this Republic?

That is the supreme issue involved. Not whether or not criminals, great or small, few or many, violate the law of the land, but whether or not constitutional government shall be maintained or overthrown by law violators.

Washington phrased the present situation well when he dealt with that other whisky insurrection during his administration.

If the laws are to be trampled on with impunity—

He said—

and a minority is to dictate to the majority, there is an end put at one stroke to republican government.

There is no encouragement there to the philosophy of my colleague that patriotic Americans should break alabaster boxes of ointment for the anointing of the minority. Washington fought against that doctrine with every weapon at his command. If he had not done so, representatives of a free people would not be here to-day.

Does my colleague and those who deplore present crime conditions think that honest, right-minded Americans who support the eighteenth amendment are enamored of such conditions? No; they are fighting and will continue to fight in order to get away from these "intolerable conditions" permanently. The only way to do that is to end this rebellion against the American Government. They, too, desire peace but not so greatly that they will purchase it at bootlegger terms. When the forces of law and order have pushed this outlawed traffic back inch by inch; when its profiteers and their defenders have admitted that American laws are not to be trampled in the mire; when the whisky insurrectionists make unconditional surrender to the sovereign law of the people; then and not until then can peace be made.

But my colleague [Mr. PHILLIPS] has many other arrows in his quiver. He has numbered them and they are twelve.

His second indictment is the one I answered in the beginning. He repeats that—

The eighteenth amendment is not in harmony with the spirit of the Constitution.

He has the statement reversed. It was the American saloon that was not in harmony with the spirit of the Constitution. It was the organized liquor traffic which hindered the formation of a more perfect union. It prevented the establishment of justice. It made domestic tranquillity impossible by its crimes, its debauchery, and disorder. It injured the common defense by weakening the bodies and minds of American citizens and building a corrupt interest which imperiled the Nation with its treasonable activities in every time of crisis just as it did in the World War. It secured no blessings of liberty but instead the poison of license with its utter disregard for the rights of others.

Oh, no, Mr. Chairman; the Constitution and the amendments added in orderly procedure make the spirit of our Union. Once convince the people that we no longer believe in the rule of the majority; let the people understand that it avails nothing to make the tremendous effort necessary to cause the submission of a constitutional amendment by two-thirds of Congress and its ratification by three-fourths of the States; let them understand that there is a minority who can and will hold that solemn verdict in contempt and you have destroyed the Republic.

The third indictment stated is that—

in the eyes of the law, brewing beer was considered just as legitimate as printing Bibles.

Such a statement is not worth attention. There never was an inherent right to brew beer. Always it was regarded as a traffic having such dangerous tendencies that it must be licensed under many special restrictions and for definite periods of time. The license was subject to revocation without the slightest regard to the money invested. The time came when the brewers and the liquor traffic in general convinced the American people that no regulatory laws could prevent the inherent evils in such a business. They simply revoked all the licenses after a full year's notice of their intention.

The fourth and fifth indictments deal with—

the lawless methods used in its enforcement—

and the—

underhand methods used in gathering evidence.

Does my colleague believe that pink-tea methods and front-page advertising will avail in dealing with organized criminality? The mortality rate among enforcement agents has been greater than among the Marines at Belleau Woods. They are dealing with desperate men, whose only language is the language of force. They are dealing with cunning and unscrupulous men, who are not to be apprehended by officers of the law who hand out their calling cards in advance.

The sixth indictment is—

The laws relating to prohibition are discriminatory in so far as they recognize the rights of farmers to manufacture wine and cider but seek to prevent the factory worker and city dweller from enjoying his home-made beer.

What is the fact in this connection? Congress can not legalize the manufacture of liquors which are in fact intoxicating, and the manufacture of such liquors for beverage purposes in any form in the home is unlawful. There is a distinction made in the law between commercial and domestic manufacture because it was realized that home producers of fruit juices and cider have no apparatus for determining the one-half of 1 per cent alcoholic content, while it is easily determined when such beverages are intoxicating in fact. Also, farmers and fruit growers may conserve their fruit by utilizing it in the manufacture of cider, which may be used legally as a beverage as long as it is not intoxicating in fact. This cider may be permitted to develop through the process of fermentation into cider, as long as it is not used in violation of law for beverage purposes.

There is a vast amount of sophistry about this so-called discrimination in favor of fruit juices and cider. The eighteenth amendment and the law carrying it into effect were aimed primarily at the commercializing of alcohol. Home fruit juices bring no revenues to the great brewery and liquor interests behind the attacks on the law. The fruit-juice question will give no difficulty once these other interests have been dealt with properly.

The seventh and ninth indictments are somewhat similar. They are—

It fails to take into consideration that the dominant race in the United States, of whatever religious faith, is by nature or heritage protestant in the sense that they are essentially protestors and registers against the undue exercise of every power of domination whether of despot, of church, or of state * * *. It has brought the Protestant church into politics.

These statements are self-canceling. The Protestant churches are vigorously advocating prohibition but all churches being made up of essential protestors are strenuously opposed to prohibition.

Prohibition has not brought the churches into politics. It was the saloon that did that. They had no choice in the matter. The church, founded by that One who strove to dignify and uplift manhood and womanhood and childhood, was of necessity compelled to enter the combat against the saloon, the great destroyer. It is not true that church members are such protestors that they oppose the domination of the law made by the people simply because it is the law. Rather do they follow the teaching of the Master when he said:

It is impossible but that offenses will come but woe unto him through whom they come. It were better for him that a millstone were hanged about his neck and he cast into the sea than that he should offend one of these little ones.

The eighth indictment is as follows:

Under the present state of hysteria that exists in many localities the sober, sensible, and scrupulously honorable individual can not qualify as an acceptable candidate for office because the shibboleth or password requires him to believe with all his mind, his heart, his will, his strength, his soul, that the essence of wisdom is contained in the eighteenth amendment. Since we have one supreme qualification which takes precedence over patriotism, party loyalty, integrity, ability, and even morality, we find that men have been lifted to responsible positions who have inadequate training and unsuitable temperament to lead, to legislate, to govern, to judge.

That is truly a deplorable and doleful picture. Is this Congress filled with "charlatans, opportunists, and pharisees?" It would be more serious if my colleague had not labored so valiantly to prove that any Representative who heeds the will of the citizenship which elected him is a "charlatan, opportunist, pharisee," or even worse.

His idea of perfect government is given in this fashion:

In a Republic representatives may become unduly influenced by the opinions or the demands of majorities, which is an evil which can not be avoided entirely.

In his ideal nation, where the evil of majority rule could be avoided entirely, the representatives would sit apart in gloomy grandeur, handing out laws as nuggets of supreme wisdom. They would be swayed only by the minority, never by the majority. The opinion that can command majority support is on its face unsound and dangerous, but the minority is always right, and the smaller the minority the more divinely right.

But the gentleman portrays a still more subtle danger. He says:

Furthermore, there is a natural resentment of and resistance to a law which from its tone and tenor seems to have been forced upon a lawmaking body by a visible or invisible supergovernment.

This declaration has a weird and mysterious sound, and one can almost see ghostly hands stretching out in disembodied but ruthless determination to force action by terror-stricken lawmakers.

Oh, Mr. Chairman, there is nothing wierd or mysterious about the enactment of prohibition. That cause marched steadfastly out in the sunshine for all to see, and its victory was the triumph of enlightenment.

Prohibition sentiment grew steadily and surely during all the years from 1778, when the Continental Congress passed a bone dry resolution. In 1789 the first temperance society was organized. In 1842 the Sons of Temperance, of which Abraham Lincoln was a member, entered the lists. In 1851 the State of Maine adopted state-wide prohibition. In 1880 Kansas followed in outlawing the liquor traffic within her borders. In 1876 a constitutional prohibition amendment was introduced in the United States Senate. In 1907 the South began the movement which put the solid South in the dry column. In 1914 the National House of Representatives enrolled a majority for national prohibition. In 1918 war prohibition went into effect. In 1920, a year after its ratification, the prohibition amendment became effective as a part of the American Constitution.

Every step in that 147 years' climb was made in open view. Prohibition came through a visible government, the people who alone are the government, calmly and deliberately making its will the supreme law of the land.

But conditions must not be so bad in all districts as indicated in the picture of my colleague. Surely some "sober, sensible, and scrupulously honorable individuals" can qualify for public office. How else could my colleague be here as the duly elected representative of a great district. And if the voters of his district are so high-minded as to trust him when he does not trust them, why should he brand other constituencies as fanatic and bigoted. One of his Biblical quotations as to judging not might well be remembered.

The tenth indictment is that "prohibition laws have caused many to lose all sense of proportion and to overlook the fact that there is a proper relationship between the nature of an offense and its punishment."

Deliberate overthrow of a constitutional amendment and the laws carrying out its provisions is a serious matter. Chief Justice Taft has said:

Those who oppose passage of practical measures to enforce the amendment, which itself declares the law and gives to Congress the power and duty to enforce it, promote the nonenforcement of this law and the consequent demoralization of all law.

Surely that expresses the gravity of the situation and since punishment seems to be necessary to deal with violations of law, the penalties actually imposed in this case are not without justification.

Severe punishment is meted out to the individual who drives his own car down a crowded city street at 60 miles an hour. A man will lose his liberty in jail if he insists on building a house on his own lot when it is in violation of building regulations. So, too, will the man who breaks quarantine regulations which have been provided for the benefit of the public health.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. KELLY. I would like to first finish with these indictments, but I will yield to the gentleman from Illinois.

Mr. MADDEN. The gentleman has referred to various indictments, and I would like to inquire in what court they are going to be tried.

Mr. KELLY. Right here in this assembly of the people's Representatives. This question involves the duties and obligations of Members of Congress. If I can help secure a verdict consistent with fundamental Americanism, I shall be very glad.

Mr. Chairman, the eleventh indictment is that "it"—the prohibition law—"is used to condemn unjustly and create prejudice against the foreigners."

Certainly the aliens who come to the United States to benefit from the superior advantages and opportunities here should obey the laws of America. They owe a special loyalty to the laws believed by Americans to be essential to the country's welfare.

When Marshal Foch, generalissimo of the allied armies in the World War, and General Diaz, commander in chief of the Italian Armies, came to visit the United States as guests they announced on their arrival in New York that they proposed to scrupulously obey the prohibition law of the United States. Every newspaper in the United States carried that announcement in headlines, and the publications engaged strictly in temperance work lauded the action of these two great leaders in the most glowing terms.

The same attitude is in evidence as to aliens within our gates. When they obey the laws they are praised; when they violate the laws they are condemned.

The twelfth indictment is—

Certain acts have so long been recognized as crime that those who commit them expect punishment; but when society outrages that innate sense of justice common to all men by imprisoning and placing the badge of criminality upon one who commits an act not recognized as a crime in the divine or moral law not only the one thus persecuted but his wife, his children, his brothers, his sisters, his neighbors, and his friends are thereby made resentful and become less dependable in case of political, industrial, or social crises.

God pity the United States when the time of crisis comes and dependence must be placed in those who hold the Constitution and the laws in contempt.

The argument that only acts long recognized as crime should be punished is simply the declaration that everything old is sacred and everything new is dangerous. If it had been followed, not a forward step would ever have been made by mankind. When the first police department was suggested for the city of London it was bitterly opposed. Every thug and thief opposed it, of course; but joined with them were some very respectable citizens, who declared that it was a new instrument in the hand of despotism to overthrow their most cherished liberties.

Acts are branded crime as conditions change and as the public conscience develops. Adulterating and poisoning the food of the people was not regarded as a crime until the people awakened to its terrible danger. My colleague would argue that since food poisoners were not considered criminals in 1900 they should not be so considered in 1925. White slavery, sale of narcotics, swindling through fake stocks, and many other evils have been met by new laws to meet new conditions. Would my colleague advocate their repeal because they are new and because, forsooth, those found guilty of their

violation, with their wives, children, and other relatives, are "thereby made resentful and become less dependable in time of crisis"?

Mr. Chairman, these are the 12 specific indictments brought against the prohibition law. I submit that each and every one of them is based on a false conception of fundamental Americanism.

They are as fallacious as the enforcement policy laid down by my colleague in his speech. He says:

Inasmuch as the eighteenth amendment was presumably adopted in good faith by the several States and provided for concurrent power in enforcement it is the duty of the proper officers of each State to cooperate in enforcing it—

Why does my colleague not stop there with a straight-out, clear-cut statement of American principle? But he does not stop there. He robs it of that spirit through his qualification. He says:

It is the duty of the proper officers of each State to cooperate in enforcing it in so far as it does not conflict with implied or guaranteed individual rights.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. KELLY. I yield.

Mr. CONNALLY of Texas. I did not want to interrupt the gentleman during his recital of the indictments. He refers to his colleague's seat. Where is this colleague of his who fights when there is no fight on and who now in the presence of the gentleman's flashing blade is not here? Is he present?

Mr. KELLY. I will answer the question, but I hope my friend will let me proceed with my observations.

Mr. CONNALLY of Texas. Is he one of those who fights when the opposition is not present?

Mr. KELLY. I informed my colleague that I intended to make a speech this afternoon in answer to his remarks, and I hope he is here.

As I said, Mr. Chairman, the gentleman has labored through many columns to prove that the prohibition amendment and the law does conflict with "implied and guaranteed individual rights." If State officials accept his arguments, they can not, in all good conscience, help to enforce such provisions.

Is that to be the criterion of faithful official action? Is the law-enforcement officer to decide the wisdom and justice of each law before he attempts to carry it out? Nothing more absurd can be stated.

But my colleague has a formula for proper national enforcement, as well as for State action. He says:

The present duty of Congress is clear and unmistakable. It should make liberal appropriations for enforcement——

Why, oh why, does my colleague not stop there and announce a truly American policy? President Coolidge did so when he called upon Congress in his message for liberal appropriations for the enforcement of this salutary law, to which he pledged all the powers of the Government.

But it is my colleague's misfortune to use weasel qualifications which suck all the patriotic expression from his statement of proper policy. He says:

Congress should make liberal appropriations for enforcement if, but only if, the enforcement agencies will discharge all employees who have criminal proclivities * * * will respect the spirit of the entire Constitution * * * and cooperate with no State or local official who violates the spirit of the Constitution.

Mr. Chairman, only the eye of the Infinite can search out the criminal proclivities in the human heart, but no human being can come through that test entirely unscathed. In making that demand upon enforcement agencies my colleague has wiped out enforcement.

But none the less surely has he annihilated any attempt at enforcement when he puts it on the basis of individual judgment as to the "spirit of the Constitution."

Holding the views he has expressed in this speech, he himself would not attempt to enforce the Volstead Act, for he is convinced it is in direct and dangerous violation of the spirit of the Constitution.

Every court in the land, including the Supreme Court of the United States, has declared that the Volstead law is constitutional and in harmony with the letter and the spirit of the Constitution. The Supreme Court has said:

That part of the prohibition amendment which embodies the prohibition is operative throughout the entire territorial limits of the United States, binds all legislative bodies, courts, public officers, and individuals within those limits.

Binds all public officers! If the public officer is now to be constituted a sort of super supreme court to measure the law in relation to the spirit of the Constitution, law and order disappears and chaos is come again.

But the chaos thus occasioned would not be more profound than that which would come through following out the final principle of this truly remarkable speech. In closing his constitutional observations my colleague says:

A majority of either House of Congress or the President, sustained in his veto by more than a third of the Members of either House, may withhold appropriations at any time the enforcement agencies or the local authorities abuse their power and thus practically nullify the eighteenth amendment which is not self-enforceable. The majority thus has the whip hand which under certain circumstances it might become their patriotic duty to use.

Here at least is one place where my colleague might forget his inveterate hostility to majority rule. It might come to pass that a majority in Congress would be justified in acting, but only for the nullification of the will of the majority of the American people as expressed in Constitution and in law.

That is a new definition of patriotic duty among the many new things advocated in this speech denouncing innovations. The Constitution which every Member of Congress swears to support and defend contains the eighteenth amendment, with an imperative obligation upon Congress to carry it into operation. A refusal to do so and thus to nullify the obligation is at least not a patriotic duty.

Justice Story once said:

It will be found that whenever a particular object is to be effected the language of the Constitution is always imperative and can not be disregarded without violating the first principle of public duty.

Still more odious nullification than refusal to enact a law to carry out a constitutional provision would be refusal to provide the appropriations necessary to carry out the law. If such a procedure is followed, if a sacred constitutional mandate and the duly enacted law are nullified by the withholding of necessary appropriations our constitutional system, both in letter and in spirit, will be in greater danger than through steps toward democracy.

Mr. Chairman, the speech of my colleague is interlarded with Biblical quotations. There is one such quotation I commend to him and to every good American in this hour of divided counsels:

A wise man built his house upon a rock; and the rain descended, and the floods came, and the winds blew, and beat upon that house, and it fell not, for it was founded upon a rock.

In the midst of confusion and false logic and fears for the future there is one solid rock upon which the citizens of this generation may build. It is the Constitution of the United States and the laws made under its authority.

The citizen, whatever he believes as to prohibition, who will take the position that the Constitution as our fathers framed it and as succeeding generations have amended it in orderly procedure, must and shall be obeyed; that the laws made under the authority of the Constitution must and shall be respected and obeyed, that citizen is a loyal and true American.

He may believe that the Constitution needs further amendment and that existing laws should be amended or repealed. If he obeys them in the meantime, gives no encouragement to lawbreakers, and seeks changes through constitutional methods—and only through such methods—he is still a loyal and true American.

Here is the rock in the hour of doubt and discord. Here is the house builded upon it, the Constitution and the laws!

The Constitution is a greater structure than in 1789. It would not have endured so long if the house inherited from our fathers had not been built larger to meet new conditions in the struggle for life, liberty, and the pursuit of happiness. We would have proved unworthy descendants if we had not enlarged that house with the passing years and added our new conceptions of liberty, equality, and justice.

The laws made in accordance with that Constitution broaden with new generations. No man in all the land is above them and every man must obey them. They alone are supreme as the will of the sovereign people.

This house shall stand in time of storm. To it every loyal American must rally and for its support and defense pledge life, fortune, and sacred honor.

Let every American, whether in public or in private life, take that obligation which is required by our Government of all who serve it, of all aliens who seek our citizenship, of all Americans who go to foreign lands and carry with them the protection of this Nation. It is the oath of allegiance which

all of us here have taken and which every loyal American should fulfill. "I do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; and that I take this obligation freely, without any mental reservation or purpose of evasion; so help me God." [Applause.]

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CARTER of Oklahoma. Mr. Chairman, I yield one minute to the gentleman from North Carolina [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman and gentlemen of the House, I desire leave to extend and revise my remarks on the wonders and glories of my State—North Carolina. [Applause.]

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to extend his remarks by the delineation of the glories of his State. Is there objection?

There was no objection.

Mr. KETCHAM. Mr. Chairman, I did not understand what the State was.

The CHAIRMAN. North Carolina.

Mr. ABERNETHY. Mr. Speaker and gentlemen of the House, when Amadas and Barlowe hove in sight of the North Carolina coast in 1584 and took possession of the land in the right of the Queen, to be delivered over to Sir Walter Raleigh, then was the birthday and the birthplace of our great Anglo-Saxon empire. It was the beginning of a new order of things in the world. Another and hardier race was springing into existence which was to people the New World from the Atlantic to the Pacific and was to perpetuate and carry forward the torch of freedom and liberty and to found a Government upon a lasting and permanent basis to be the greatest of all the world.

Upon the sacred soil of North Carolina the first white child of America was born, around whose departed spirit was woven the beautiful Indian legend that took the form of a beautiful white fawn of more than natural beauty, which at times could be seen lingering around the place of its birth, and at other times could be seen standing on the edge of the ocean gazing over the waters as longing to cross over to the home of its forefathers; and according to another Indian legend was killed with an enchanted arrow by a young chief who loved Virginia Dare during her life, believing if he shot the fawn with the magic arrow the animal would be changed back into the lovely form of his lost Virginia.

Notwithstanding the unsuccessful attempts of Sir Walter Raleigh to colonize the territory which is now comprised within North Carolina, the history of which attempts are so well known, the lure of its richness caused others to attempt its colonization. Charles I of England first granted a charter to Sir Robert Heath, of the southern part of Virginia, latitude 31 degrees to 36 degrees, under the name and in honor of the King, as Carolina. But Heath did nothing under the charter, and a renewal was granted in 1663 to eight lords proprietors two years afterwards with an enlargement of the territory, the first permanent settlement being called the county of Albemarle. The proprietory government under the eight proprietors lasted until 1728, when seven of them sold their interest to the Crown. Lord Carteret, afterwards Earl of Granville, turned over the right of government to the Crown, but retained his one-eighth interest in the land, and in 1774 he received a grant for about half of North Carolina next to the Virginia line.

The history of the early settlers of North Carolina is one of great dangers, sacrifices, and hardships. The cruel Indian wars of 1711 and following, when so many of the early settlers were massacred; the horrible story of how John Lawson, surveyor general, who was tortured by having his naked body filled with fine splinters and burned, are but some of the many things which can be related as illustrative of that period of time. These colonists were considered by some as being turbulent in character, but their real grievances were the cause for such a reputation. They had wisdom to discern their rights and could take care of the attacks made upon them. Our population took a most formal part in resisting the arbitrary aggressions of England. The first pitched battle of the Revolution was at Alamance on May 12, 1771; and at New Bern on August 25, 1774, the legislature openly defied the royal governor; and on May 20, 1775, the patriots of Mecklenburg met in convention and declared the independence of the Colonies; and at Moores Creek Bridge the Tory Highlanders were crushed in February, 1776; and on April 25, 1776, North Carolina, first of all the Colonies, empowered her delegates to the Continental Congress to vote for independence.

The Battles of Kings Mountain and Guilford Courthouse are written in emblazoned glory upon the pages of history. The part played by North Carolina in the Revolution was second to none of the original thirteen Colonies.

The steady increase and population of our State after the Revolution was phenomenal. This remarkable growth was only arrested by the Civil War. We were backward in adopting secession, but when we finally decided to enter the conflict our State, with a military population of 115,369, yet furnished 125,000 Confederate soldiers, and the impartial historian has so written of our deeds in the great war that we can proudly boast that we were "first at Bethel, farthest at Gettysburg, and Chickamauga, and last at Appomattox."

The ravages of the internecine conflict left our fair land despoiled and in gloom. The story of this terrible situation has so often been told that a repetition now would serve no useful purpose. But phœnixlike, our State arose from the ashes of direful and dreadful desolation and with a cheerful courage began the rebuilding of the new North Carolina, having to overthrow the reconstruction government forced upon her in order that she might in an unfettered and untrammeled manner take her place along with her sister States in the making of the new South.

Has she kept the pace? Has she been laggard in the onward march of progress? I declare to you that she has not only kept the pace but she has rushed forward in leaps and bounds until to-day she stands at the forefront among the States of the Union.

North Carolina from east to west is 500 miles, with an average breadth of 100 miles, with an area embracing 52,426 square miles, of which 48,740 is land and 3,686 is water, and with a population of 2,559,123 at the present time. It has its mountains, the equal of the Alps of Switzerland, its western boundary containing mountains constituting a part of the great Appalachian chain which attains its greatest height, the highest peak east of the Rocky Mountains, with the towering Mount Mitchell.

The topography of our State may be pictured as a declivity sloping down from an altitude of nearly 7,000 feet from the Smoky Mountains to the Piedmont Plateau, to the coastal plain, and to the Atlantic Ocean.

No better climate can be found anywhere. We are on the same parallel of latitude as the Mediterranean. As has been said of our State, "All the climates of Italy from the Palermo to Milan and Venice are represented."

The natural resources of North Carolina compare favorably with any other State in the Union. We have a soil so diversified and so composed in connection with such favorable climatic conditions as to offer the greatest agricultural possibilities.

North Carolina in 1923 retained fourth rank in the United States in crop values, the total value of the principal national 22 crops being $375,710,000; and the total value of all the crops raised in North Carolina for 1923 was $431,500,000. The rank of the State's crops in 1909 as compared with other States was twenty-first in crop value, and in 1922 and 1923 it ranked fourth in crop values as compared with other States of the principal national 22 crops.

We find that in 1923 the average accrued value of crops in North Carolina was $59 per acre, and that in 1922 it was $48.60 per acre. In comparison with this showing we find the Middle Western States averaging in 1922 as follows, according to their national rank in the value of their 22 principal crops: Texas, $27.50; Illinois, $20.15; Ohio, $23.60; Missouri, $18.50; North Carolina, $48.60.

North Carolina has the largest hosiery mills in the world.

North Carolina has the largest denim mill in the United States.

North Carolina has the largest towel mill in the world at Kannapolis.

North Carolina has the largest damask mills in the United States.

North Carolina has the second largest aluminum plant in the world at Badin.

North Carolina has the largest underwear factory in America.

North Carolina has the third largest pulp mill in the United States.

North Carolina has more mills that dye and finish their own products than any other southern State.

North Carolina leads the world in the manufacture of tobacco.

North Carolina has a total of more than 6,000 factories.

These factories give employment to 173,687 workers, whose total annual wages amount to more than $127,537,821.

North Carolina has $669,000,000 invested in manufacturing establishments.

North Carolina leads every southern State in the number of wage and salary earners.

Again she leads the southern States in values added to the raw materials after process of manufacture: North Carolina, $435,761,957; Texas, $331,740,283; Virginia, $243,660,752; and Georgia, $222,683,529.

North Carolina has the second largest hydroelectric-power development in the world.

North Carolina consumes one-fourth of all the tobacco used in manufacture in the entire United States.

North Carolina pays one-fourth of all the tobacco taxes of the Union.

In 1923 North Carolina paid the Government $118,370,325 tobacco tax, more than any other State in the Union. New York, the next State, paid only $45,000,000.

North Carolina manufactures more cigarettes than any other State in the Union.

One North Carolina city manufactures more tobacco than any other city in the world.

North Carolina leads the South in the number of furniture factories; in the capital invested; the number of operatives employed; the variety of products, and the value of the annual output.

North Carolina has more cotton mills than any State in the Union.

Only one other city in the United States manufactures more furniture than does one of our North Carolina cities.

North Carolina ranks fifth in the value of agricultural counties in the Union.

The North Carolina tobacco was of more value last year than that of any other State.

North Carolina ranks third in the production of sorghum, peanuts, and sweet potatoes in the United States.

North Carolina has grown more corn to the acre than any other State in the Union.

North Carolina leads the Union in the number of debt-free homes.

North Carolina ranks first in the value and quantity of mica produced, mining 15 per cent of all mica mined in America.

North Carolina ranks first in the value and quality of millstones produced in the United States.

The talc mined in North Carolina demands the highest price per ton of any mined in the United States.

Western North Carolina is world famed as a tourist and health resort. Our unequaled year-around climate; our healthy balsam-laden mountain air; our pure crystal water; the beauty and grandeur of our mountain peaks, help make this section foremost of any other in America as a playground for pleasure and health-seeking tourists. North Carolina is a great place for sportsmen. Such famous sportsmen as Rex Beach, Irvin Cobb, Bud Fisher, and others look upon eastern North Carolina as the greatest hunting ground in America. Eastern North Carolina has famous seashore resorts, and the health resort and playgrounds at Pinehurst and Southern Pines are known all over the country.

The forests of North Carolina are incomparable. Nineteen million six hundred thousand acres and 43,000,000,000 feet of timber. There are more varieties of trees than in any other State in the Union.

The commercial value of the fisheries as estimated by the North Carolina Fisheries Commission is something over $4,000,000 per year. Of this amount, $677,775 was due to shellfish, such as oysters, clams, scallops, and so forth.

When I speak of the mineral wealth of North Carolina I feel sure very few appreciate it fully. It is not generally known that we have in North Carolina 184 different varieties of native minerals. Practically every known mineral in the United States and some not found elsewhere can be found in North Carolina. Our mineral production has amounted to many millions yearly.

As far as can be ascertained there is at the present time water-power development in North Carolina of approximately 450,000 horsepower. Of this amount 80,000 horsepower is transmitted for use outside the State; 113,000 horsepower is used chiefly by the producer locally, leaving approximately 257,000 horsepower available for general industrial and public use. This output of water power in North Carolina has increased about 40 per cent from 1919 to 1922. There is probably an equal amount of power produced by steam plants. The demand for power is rapidly increasing and North Carolina should furnish a considerable percentage of this future demand, and it can if the streams are investigated so as to determine the most efficient method of developing their power, and then develop it in accordance with this method.

While several of the larger water powers in North Carolina have already been developed there still remains large available undeveloped powers. The maximum potential water power of North Carolina is estimated at 875,000 horsepower, and the maximum power with storage at 2,000,000 horsepower. (This interesting data was furnished me by Col. Joseph Hyde Pratt, former State geologist of North Carolina.)

North Carolina and South Carolina have far outstripped all the other States of the southeastern group in the development of hydroelectric power, according to 1923 figures compiled for industry. In these two States the total development is 911,400—North Carolina 458,400 and South Carolina 453,000. The total for the remaining eight States, including Georgia, Alabama, Tennessee, Virginia, Kentucky, West Virginia, Florida, and Mississippi, is 1,007,900. Thus it is shown that the electricity developed by water power in the Carolinas almost equals the combined output of the eight other States. Conservative estimates give the potential horsepower of the two Carolinas as 1,552,000—North Carolina 875,000 and South Carolina 677,000. Of the States east of the Mississippi, North Carolina is led only by New York in hydroelectric development. Unprecedented industrial growth is largely responsible for this remarkable development and use of electric power in the two States, according to a statement by the North and South Carolina Public Utility Information Bureau. Expansion of industry has reached such proportions as to attract comment from authoritative sources throughout the United States. In a late issue the Textile World says:

The first impression the visitor gets en route from Danville, Va., to Atlanta, Ga., is that the South is on a constructive spree. Particularly in North Carolina is this evident. Every hundred yards or so one sees a new mill or a new school or a new bridge. Mr. Thorndike Saville, of the University of North Carolina and hydraulic engineer of the North Carolina geological and economic survey, in his review of the water-power situation in the State, says:

"A sudden metamorphosis has occurred in North Carolina within the past decade, by which the State has moved from twenty-third to fifteenth place in the value of its industries and from nineteenth to about fourth in the value of crops, as well as becoming the greatest industrial State in the South. Accompanying this has come a tremendous demand for power to meet the needs of our growing water-power business. Even so, there is a dearth of power in the State today, and the hydroelectric industry is bound to be greatly extended within the next decade."

Mr. Saville estimates that power demands for the year 1930 will be approximately 1,000,000 horsepower in North Carolina alone.

The American Exchange-Pacific National Bank, of New York, in their monthly letter of February 1, 1926, had the following to say about the water power in the South:

In the Southeast water-power development has reached an advanced stage, many of the huge industries in Tennessee, the Carolinas, Georgia, and Alabama being driven by power developed on the mountain streams which tumble over the Appalachians and the Cumberlands. Superpower is an old story in the South. For several years leading cities have drawn their light and power from systems which connect them all in a single chain. Cheap power, ample resources, and an abundance of enterprise and muscular energy are the factors that are rejuvenating the South, bringing it back to the place of dominance which it once occupied.

DATA SHOWING THE ECONOMIC POSITION OF THE STATE OF NORTH CAROLINA IN RELATION TO THE STATES AND TERRITORIES OF THE UNITED STATES, AND ITS POSITION IN RELATION TO THE SOUTHERN STATES, FURNISHED BY THE COMMISSIONER OF INTERNAL REVENUE AND OTHERS IN GOVERNMENTAL DEPARTMENTS

For the purposes of this memorandum the Southern States comprise the following: North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Tennessee, and Virginia. By the United States is meant all the States, including the District of Columbia, and where so stated the Territories of Hawaii and Alaska.

ESTIMATED WEALTH

The Department of Commerce has compiled figures on the estimated wealth of 23 States, showing the estimated wealth for 1922 as compared with 1912. Of these 23 States the per cent of increase in the wealth of North Carolina (175.7) was the highest. The estimation rank of North Carolina in relation to the other Southern States shows that in regard to the total wealth its rank was fifth in 1912 and first in 1922.

The available figures of the United States Department of Agriculture as to the value of farm products, by States, are its estimates for the calendar year 1922. These figures show North Carolina as first for the Southern States in the total value of farm products for that year and fourteenth for the whole United States.

Comparative data of the value of farm products for the year 1919 with 1909, published by the Bureau of the Census, show that North Carolina was second for the whole United States in the per cent of increase in the gross value of its farm products for 1919, as compared with 1909, and first for the Southern States. Its increase in the value of its farm products for that decade was 248.4 per cent.

The position of North Carolina as a manufacturing State is based on the census figures for 1919. These more nearly reflect the magnitude

of the industrial activities of that State and of the United States than the 1921 figures, which latter represent conditions at the trough of the industrial depression, and if taken as the basis would be misleading both as a measure of the magnitude or the economic trend of the manufacturing industry of the United States. Detailed figures for the Southern States are given below:

Manufactures for 1919, Southern States

Southern States	Number of establishments	Rank		Number of wage earners	Rank		Value of products	Rank	
		For United States	For Southern States		For United States	For Southern States		For United States	For Southern States
North Carolina	5,999	13	1	157,659	13	1	$943,808,000	15	1
South Carolina	2,004	36	10	79,450	28	7	381,453,000	32	7
Georgia	4,803	20	3	123,441	17	2	693,237,000	21	2
Florida	2,582	32	8	74,415	29	8	213,327,000	35	8
Alabama	3,654	23	5	107,159	21	4	492,731,000	26	6
Mississippi	2,455	34	9	57,560	33	9	197,747,000	37	10
Louisiana	2,617	31	7	98,265	22	5	676,190,000	22	3
Arkansas	3,123	25	6	49,954	34	10	200,313,000	36	9
Tennessee	4,589	21	4	95,167	23	6	556,253,000	25	5
Virginia	5,603	16	2	119,352	18	3	643,512,000	23	4

As a taxpayer to the Federal Government, the State of North Carolina stands sixth highest of the total States and Territories in the amount of internal revenue taxes paid for the calendar year ended December 31, 1923. The total internal revenue taxes paid by North Carolina to the Federal Government in that year amounted to $153,576,801, which was more than $11,000,000 in excess of the aggregate paid by the following 24 States and Territories: Oklahoma, Florida, District of Columbia, Nebraska, Maine, Oregon, Delaware, Alabama, South Carolina, Arkansas, New Hampshire, Hawaii, Mississippi, Utah, Vermont, Montana, Idaho, South Dakota, Wyoming, Arizona, North Dakota, New Mexico, Nevada, and Alaska.

North Carolina now stands the fifth highest of the total States and Territories in the amount of internal revenue taxes paid. Manufactures since 1919 have increased very rapidly in North Carolina.

The value of farm property (land, buildings, implements and machinery, and livestock) for North Carolina in 1920 is given by the Bureau of the Census as $1,250,166,995 as compared with $537,716,210 in 1910, showing an increase of 132.5 per cent. This percentage of increase was third largest for the Southern States and eighth largest for the United States.

The number of farms in North Carolina in 1920 was 269,763, the State ranking fifth for the United States and third for the Southern States The number of acres in farms in 1920 was 20,021,736, which as relating to the Southern States was only exceeded by Georgia with 25,441,061.

The farm population of North Carolina in 1920 was 1,501,227, which represented 58.7 per cent of the total population of the State. The number of farm population was second highest for all the Southern States, and as to the percentage of farm population to total population North Carolina was fourth highest.

The total population of North Carolina by the census of 1920 was 2,559,123. Its foreign-born population was only 7,272. This State had the least foreign-born population with the exception of South Carolina of any State in the Union, and in the per cent of foreign born to total population, it had the lowest, only three-tenths of 1 per cent; having a smaller percentage even than South Carolina, in which the per cent of foreign born to total population was four-tenths of 1 per cent.

North Carolina, which at the last census (1920) was outranked in population by 13 States, was outranked by only 10 States in respect of numerical contribution to the increase in the population of the United States between 1910 and 1920. That is to say, although 13 States exceeded North Carolina in population, only 10 contributed a greater number toward the total increase in population during the decade. North Carolina's rate of increase for the period 1910–1920 was 16 per cent, a rate somewhat higher than that for the United States as a whole, which was 14.9 per cent. But it must be remembered that North Carolina's growth was due almost entirely to natural increase, whereas the growth of the United States as a whole resulted in considerable measure from immigration. The birth rate of North Carolina for the year 1922—30.2 per 1,000 population—was greater than that shown for any other State from which the Census Bureau collects data as to births. Data was collected in 1922 from 28 States and the District of Columbia, whose total population constituted about three-fifths of the total for the United States. The average birth rate for the 28 States from which data was collected was 27.7, a rate only three-fourths as large as that for North Carolina. The death rate for North Carolina—11.5 per 1,000 population—was slightly below the average for the registration area—11.8.

North Carolina can take special pride in the knowledge that it still leads all other States in the purity of its native stock. Of its 1,783,779 white inhabitants in 1920, no fewer than 1,778,680 were born in the United States, and of this number 1,765,203 were born of parents who were native to the United States. Of its total white population, 99.6 per cent were born in the United States and 99 per cent were born of parents who were native to the United States. Of the total white population of the United States, only 85.5 per cent were native and only 61.6 per cent were native of native parents. North Carolina's nearest competitors in this respect are South Carolina, Tennessee, and Mississippi. In each of these States the native whites constitute more than 99 per cent, and the native whites of native parents more than 96 per cent of the total white population.

In the value of tobacco grown North Carolina leads all other States. According to the last decennial census, it grew tobacco to the value of $151,288,264 in 1919. Its nearest competitor, Kentucky, reported $116,414,639, and no other State reported as much as $50,000,000.

Although in 1919 South Carolina, Georgia, Mississippi, Arkansas, Oklahoma, and Texas all reported greater cotton production than North Carolina, the statistics of cotton ginned from the crop of 1923 show North Carolina as second only to Texas, and if the comparison took into account the difference in area North Carolina would outrank even that State, for with an area of less than one-fifth as great as that of Texas, it produced one-fourth as much cotton.

In school attendance for 1920 North Carolina ranked ninth for the United States and first for the Southern States.

In the following table there is summarized the population, industrial and vital statistics relating to North Carolina, and the State is compared with the United States and its rank among the other States:

1925 FARM CENSUS—PRELIMINARY ANNOUNCEMENT—NORTH CAROLINA (STATE TOTALS)

WASHINGTON, D. C., December 9, 1925.—The following statement gives some of the most important figures from the 1925 farm census for the State of North Carolina, with comparative data for 1920. Summaries have already been issued for each of the counties of the State. The figures for 1925 are preliminary and subject to correction:

	1925	1920
NUMBER OF FARMS		
Total	283,491	269,763
Operated by:		
White farmers	202,526	193,473
Colored farmers	80,965	76,290
Owners	154,813	151,376
Managers	424	928
Tenants	128,254	117,459
Per cent operated by tenants	45.2	43.5
FARM ACREAGE		
All land in farms	18,597,795	[1] 20,021,736
Crop land, 1924	6,832,320	
Harvested	5,548,808	
Crop failure	146,038	
Fallow or idle	1,137,474	
Pasture, 1924	2,818,748	
Plowable	881,895	
Woodland	1,388,459	
Other	548,394	
Woodland not pastured	7,090,679	
All other land	1,856,048	
Average acreage per farm	65.6	74.2
FARM VALUES		
Land and buildings	$930,281,778	$1,076,392,960
Land alone	$689,719,172	$857,815,016
Buildings	$240,562,606	$218,577,944
Average value of land and buildings:		
Per farm	$3,282	$3,990
Per acre	$50.02	$53.76

[1] Comprising 8,198,409 acres of improved land, 10,299,547 acres of woodland, and 1,523,780 acres of "other unimproved land."

	1925	1920
LIVESTOCK ON FARMS		
Horses	129,800	171,436
Mules	278,611	256,569
Cattle, total [2]	544,612	644,779
Beef cows [3]	84,927	
Other beef cattle	115,531	
Dairy cows [3]	251,211	
Other dairy cattle	92,943	
Swine, total	894,170	1,271,270
Breeding sows [4]	127,231	180,954

[2] In many counties the classification of cattle as beef or dairy depends largely on individual judgment, the total number of cows milked in 1924 was 301,511, including 58,870 "beef" cows.
[3] Cows and heifers 2 years old and over.
[4] Sows and gilts for breeding purposes, 6 months old and over.

Principal crops in 1924 and 1919

Principal crops	1924	1919
Corn:		
Acres	1,933,664	2,311,462
Bushels	30,613,136	40,998,317
Oats:		
Acres	59,898	125,885
Bushels	932,727	1,671,308
Wheat:		
Acres	341,062	620,659
Bushels	3,721,961	4,744,528
Rye:		
Acres	52,087	67,871
Bushels	391,355	390,123
Buckwheat:		
Acres	6,910	5,539
Bushels	88,163	63,478
Peanuts:		
Acres	178,466	125,766
Bushels	6,251,408	5,854,689
Hay:		
Acres	500,196	472,421
Tons	420,345	449,298
White potatoes:		
Acres	46,105	35,797
Bushels	4,942,614	2,853,797
Sweet potatoes:		
Acres	51,292	74,678
Bushels	4,591,974	7,959,786
Tobacco:		
Acres	404,609	459,011
Pounds	236,102,184	280,163,432
Cotton:		
Acres	1,733,368	1,373,701
Bales	855,416	858,406
Velvet beans: Acres	4,620	3,153
Apples:		
Trees—		
Young	1,182,169	1,394,588
Bearing	3,720,244	3,474,821
Bushels	5,773,508	1,938,038
Peaches:		
Trees—		
All ages	3,615,127	3,070,749
Bushels	2,173,847	479,218

Manufactures for 1923,[1] Southern States

Southern States	Number of establishments	Rank: For United States	Rank: For Southern States	Wage earners (average number)	Rank: For United States	Rank: For Southern States	Value of products	Rank: For United States	Rank: For Southern States
North Carolina	2,670	20	3	173,687	13	1	$951,910,599	15	1
South Carolina	1,180	36	10	96,802	23	6	360,445,739	31	7
Georgia	3,058	17	1	137,476	14	2	604,452,862	21	3
Florida	1,690	28	7	65,047	30	8	188,258,384	36	8
Alabama	1,996	22	5	109,620	19	4	541,728,687	25	6
Mississippi	1,235	34	8	54,321	32	9	178,581,729	37	9
Louisiana	1,781	26	6	94,597	24	7	624,682,620	20	2
Arkansas	1,231	35	9	44,545	34	10	172,541,140	39	10
Tennessee	2,307	21	4	106,504	20	5	555,265,596	23	4
Virginia	2,743	19	2	111,578	18	3	548,153,489	24	5

[1] No data for establishments reporting products under $5,000 in value are included in the statistics for 1923.

In cotton manufactures North Carolina in 1924 led all other States except Massachusetts. This State led all other Southern States in spinning spindles in place on January 1, 1924, the State of Massachusetts alone having more spindles in place on this date. It is worthy of note also that on that date the active spindle hours were the greatest for any Southern State, being exceeded in this activity by Massachusetts only. On this date a total of 1,642,000,000 active spindle hours were reported for spindles in place in Massachusetts, against 1,368,000,000 active spindle hours in North Carolina.

Many mills from New England have recently moved to North Carolina. The American Exchange National Bank, of New York, in its monthly letter in January, 1924, had the following to say about North Carolina cotton mills:

During the 20 years from 1899 to 1919 the value of the product of North Carolina cotton mills increased from $28,378,000 to $318,368,181, and the value added by manufacture increased from $10,986,000 to $131,588,466. The number of workers employed increased 123 per cent, and the capital employed increased 712 per cent.

The Department of Commerce of February 8, 1924, had this to say about the State of North Carolina:

The Department of Commerce announces for the State of North Carolina, its preliminary estimate of the value, December 31, 1922, of the principal forms of wealth, the total amounting to $4,543,110,000, as compared with $1,647,781,000 in 1912, an increase of 175.7 per cent. Per capita values increased from $724 to $1,703, or 135.2 per cent.

All classes of property increased in value from 1912 to 1922. The estimated value of taxed real property and improvements increased from $337,960,000 to $2,209,432,000, or 246.3 per cent; exempt real property from $62,340,000 to $161,933,000, or 159.8 per cent; livestock from $85,068,000 to $103,397,000, or 21.5 per cent; farm implements and machinery from $20,315,000 to $33,853,000, or 66.6 per cent; manufacturing machinery, tools, and implements from $85,120,000, to $238,327,000, or 180 per cent; and railroads and their equipment from $204,606,000 to $251,694,000, or 23 per cent. Privately owned transportation and transmission enterprises, other than railroads, increased in value from $44,411,000 to $81,257,000, or 83 per cent; and stocks of goods, vehicles other than motor, furniture, and clothing from $507,961,000 to $1,359,438,000, or 174.7 per cent. No comparison is possible for the value of motor vehicles, which was estimated in 1922 at $67,779,000, because no separate estimate was made in 1912.

I read in the papers a few days ago that the railroads had put an embargo on freight and express going to or from the State of Florida. The railroads are unable to handle the situation at the city of Miami, which, like magic, has sprung up overnight.

It was my good fortune to be in Miami a short time ago and to go out in the harbor, and I found on the outside of the harbor of Miami at least 40 or 50 great ships that could not get into the harbor on account of lack of depth of water across the bar. There is running into the State of Florida at this time down the east coast only one railroad, and that is the Florida East Coast Railway. They are absolutely unable to cope with the situation that has recently developed within less than two years in the growing State of Florida.

The South to-day, gentlemen of the committee, is on a constructive spree. Every line of activity is being increased. The State of North Carolina, which I in part represent, is just bulging over with industrial development. We have spent something like $100,000,000 in the development of our good roads by the State, in addition to the millions spent by the various counties, and we have in North Carolina waterways that need development. I believe we are leading at this time any other State in road building.

The waterways of North Carolina have been a great developing factor in its prosperous growth. The sounds of eastern North Carolina form a vast inland sea, with an area of over 2,000 square miles, having over 1,300 miles of navigable tributaries. The adjacent country was settled long before the locomotive was invented, and aside from crude dirt roads of earlier days the waterways served for a long time as the only

means of transportation. North Carolina was a pioneer in inland waterway development. In 1787 the Dismal Swamp Canal was started, connecting the North Carolina territory with the earlier settlements on the James River. This canal was not completed until about 30 years later, or in about 1817. The Albermarle & Chesapeake Canal, privately owned, was opened about 1860.

In the early years there was a great commerce between North Carolina and the West Indies and coastwise points to the south. This commerce was carried on largely through Ocracoke Inlet and Beaufort Inlet, and through the other waterways of Core Sound and up the Tar and Neuse Rivers.

The improvement of [illegible]iver was commenced in 1836, and the improvement of Neuse River was commenced in 1878. The great natural inlet at Beaufort was a great port of that day. The town of Beaufort was incorporated in 1723, and its importance was recognized by the erection of Fort Macon, started in 1826. By 1836 it had developed a large commerce in Beaufort Harbor, and that year the improvement of this harbor was started by the Government. This port continued to grow in importance, so that when the era of railroad building started it was selected as a terminus of the State-owned railway running from Charlotte through Goldsboro, Greensboro, Raleigh, Kinston, and New Bern to a point on Beaufort Harbor known as Shepherds Point, which has recently grown into a prosperous town now called Morehead City, a few miles from Beaufort. These towns are soon to be connected by a great concrete bridge, to be erected by the State highway commission.

At the extreme southern end of the State the Cape Fear River early claimed attention. The first work on this river was done in 1823, and it was taken over for improvement by the Government in 1829. The river and ocean bar were dredged to 12 feet in 1874 and increased to 15 feet in 1881, to 20 feet in 1890, to 26 feet in 1912, and to 30 feet in 1919. Over $8,000,000 has been expended by the Federal Government on the portion of the stream at and below Wilmington and $1,500,000 on the portion above that point. Last year the Cape Fear carried commerce amounting to 880,583 tons, valued at $61,786,026.

There are many important rivers running into the sounds which give waterway transportation up into the central part of the State; the Neuse River, running up to New Bern, Kinston, Goldsboro, Smithfield, and Raleigh; the Pamlico River, running up to Washington, Greenville, Tarboro; the Roanoke River, up as far as Columbia; the South River to Aurora; the Bay River to Bayboro; the Trent River to Trenton; and the Cape Fear River to Wilmington and Fayetteville.

The idea of establishing inland navigation between Florida and the North, utilizing the North Carolina sounds, has been before Congress since the year 1837. In that year a survey was made by Lieutenant Colonel Kearney from the south end of the Dismal Swamp to Georgetown, S. C. In 1875 Mr. S. T. Albert made a survey from Norfolk Harbor to the Cape Fear River, while several suggested alternative routes were surveyed by Capt. Charles B. Phillips in 1878 and 1880. There were additional surveys made in 1902, and the first work was started in 1907 on the canal connecting Pamlico Sound and Beaufort Harbor, and this was then completed to the then authorized depth in 1910. It was in 1911 that surveys were made for an intracoastal waterway extending from Boston, Mass., on the north, to the Rio Grande, or Mexican border, on the south. As a result of this survey a comprehensive plan has been developed which, when completed, will make possible continuous inland navigation within the Atlantic and Gulf coasts.

The Congress of the United States has definitely committed itself to the eventual completion of this great inland intracoastal waterway from Boston to the Mexican line.

The link of the great intracoastal waterway which is next marked for construction by the Government runs from Beaufort Harbor to the Cape Fear River, at Wilmington, N. C. I am happy to report that the district engineer has favorably recommended the construction of this link for a depth of 12 feet, and his report is soon to be forwarded to the division engineer, the Chief of Engineers, and to the Board of Engineers at Washington. From the facts I can gather, the engineers will recommend this link to be completed as the next link in the great chain.

North Carolina has great ports which are suitable to the greatest development. It should be the policy of Congress not only to complete this great intracoastal waterway but that all of the ports leading from it into the ocean should be developed as rapidly as possible, and that all of the tributaries from the interior leading into it should be improved as feeders for it.

North Carolina has two great outlets to the sea, one at Southport and one at Beaufort-Morehead City. The waterway at Southport, which is the mouth of the Cape Fear, leading from Fayetteville by way of Wilmington, has a depth of 30 feet, which is now being maintained by the Government. The inlet at Beaufort has a depth of 20 feet, which is now being maintained by the Government. Beaufort is the present terminus of the inland waterway from Boston. At an expenditure of not to exceed a quarter of a million, the inlet at Beaufort can be increased in depth to 30 feet at mean low water, and can be maintained at an expenditure of not to exceed $25,000 per annum.

North Carolina has a great harbor at Cape Lookout, which juts out into the ocean, close to the lanes of travel, with no ocean bar or tortuous river channel to pass, where ships can enter without a pilot. This harbor has an area at present of one square mile, with water 30 to 40 feet deep at present, and this can be expanded tenfold if need be. The Government has completed 52 per cent of the breakwater at this time, and for an expenditure of not to exceed $1,500,000 can complete it. This harbor should be completed promptly by the Government. It is greatly favored by nature. It is my understanding that all European shipping coming through the Panama Canal comes along the seventy-fifth meridian to Cape Hatteras, taking advantage of the great Gulf Stream, which at this point turns sharply toward Europe. Most of these steamers then proceed to Norfolk to replenish their coal supply before proceeding to cross. With a coaling station at Cape Lookout they could lay their course to that point and save 200 miles of ocean travel. The air-line distance from the coal fields is only about 50 miles further than to Norfolk, and the saving in ocean travel would more than offset this distance. Cincinnati, Indianapolis, St. Louis, and Kansas City, gateways through which foreign commerce passes, are nearer to Lookout than to New York Harbor. With these conditions it is clearly patent that this harbor will one day be one of the great ports of the country.

North Carolina has engaged the attention of the whole Nation as no other State in the Union, on account of our substantial growth and prosperity. This is due largely to the good-roads program which has been put on in the State and the program for public education. Recently there has been great development in manufacturing enterprises, particularly cotton mills. French Strother, in the November issue of World's Work, has a wonderful article, entitled "North Carolina's dreams come true." He says, among other things:

North Carolina is just cashing in on an ideal and a dream.

Hon. C. A. Webb, of the city of Asheville, N. C., recently, in making a speech on North Carolina, had this to say:

If all the chewing tobacco manufactured in one year in North Carolina were made into one big, succulent plug, and a man standing on the top of Mount Mitchell bit a chew from its thick corner, his voracious chin would drop so far that it would break the back of a somnolent shark at the profoundest bottom of the Gulf of Mexico, while his anticipative mustache, standing out like the quills of a fretful porcupine, would make the silk-clad ankles of the flappers on New Jersey's northernmost verandas shrinkingly suspect the sting and bite of a new and unconquerable mosquito.

If all the towels made in one year in North Carolina were fastened together fringe to fringe into one great towel, the man who dried his feet with one end of it on the rocky coast of the Straits of Magellan would, with an agitated elbow, overturn a pearl fisher's sampan in the calm, warm waters of the Indian Ocean, and find himself wiping his surprised and distant face with the other end of it on top of the highest peak of Greenland's frosty, famous, and far-flung mountains.

If all the stockings woven in one year in North Carolina were made into one big stocking, its imperishable foot would hold all the toys Santa Claus has brought down the chimneys of America since the ride of Paul Revere; its leg would contain all the dear, dim dreams of romance that sweetly thronged the corridors of men's brains in the time of the long provocative skirt, and its soft and silken top would reach up into the heavenly vault where Venus, tiring of her flirtations with the militant Mars, would with discriminatory fingers and appreciative thumb form flattering judgment of its filmy and caressing texture and its deathless, undarned durability.

If the North Carolina apple could be grown all over the world with its original and irresistible flavor, it would be substituted by the Latin-Americans for their garlic and by the Mongolians for their rice, and by the Ethiopians for their watermelons; its brown and bubbling cider would be the world's champagne, dirt cheap at a thousand dollars a quart, and doctors would prescribe its pungent, powerful, and puissant brandy as the elixir of life, the fountain of youth, a substitute for a futile and antiquated pharmacopœia, and a sudden, sure, and sweeping destroyer of the dumps, death, and disease.

If all the cigarettes manufactured in North Carolina in one year were rolled into one great, long cigarette, a young sport leaning nonchalantly against the South Pole would light it with the everlasting fire in the tail of Halley's swift and restless comet, use the starry

dipper as its ash tray, blow smoke rings which, unbroken by all the hurricanes which lash the seven seas, would hide the circles around Saturn for a thousand years, and with the immeasurable inferno of its stub blot out and usurp the glowing fame and place of the hitherto quenchless morning star.

If all the tables manufactured in one year in North Carolina were made into one great table, and if that table were covered with one vast tablecloth consisting of all the tablecloths woven in one year in North Carolina, there would be a banquet board under which could be hidden, piled one on top of the other, all the festal tables under which men have thrust their feet from the days of the round table of King Arthur to the time of the fiasco of the Genoa conference.

[Applause.]

Mr. CARTER of Oklahoma. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. TILLMAN].

The CHAIRMAN. The gentleman from Arkansas is recognized for 15 minutes.

Mr. TILLMAN. Mr. Chairman, if I fail to conclude my remarks in the time allotted to me, I ask unanimous consent to revise and extend them.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TILLMAN. Mr. Chairman, gentlewomen, and gentlemen of the House, the paramount issue before this Congress is a square deal for the farmer. I have introduced two bills, just and equitable measures, whose purpose is to grant specific aid to the producers of food, to lighten the hearts and burdens of those engaged in agriculture, horticulture, and stock raising. Agriculture is the basic industry. The farmer feeds the world, and if he struck for a few months the world would starve.

Our farming population represents about 38,000,000 people. They are entitled to fair treatment, and they have never had it. They are the best customers the manufacturers have, and they must be kept prosperous if profits are to be made by those engaged in any other productive industry.

If you apply the average consumption per capita of steel alone of the country as a whole, which is about 800 pounds, to the farming population, you have a total requirement for the farmer of approximately 14,000,000 tons, or over 30 per cent of the total steel capacity of the United States. So far as the farmer's need of steel is concerned, his per capita use exceeds that of the city dweller. He is a large user of tools, farm machinery, and supplies not needed by the city consumer. He is likewise a heavy purchaser of a wide variety of manufactured products, and if prosperity is to be general he must prosper. I am for good wages for labor, good prices for farm products, and this condition can not obtain unless there is a change in the situation as it now exists. The farmer's dollar is a 30-cent dollar compared with what it should be.

The Fordney-McCumber tariff bill should be repealed or modified. The act has done infinite harm to the farmers. It has destroyed the foreign demand for farm products by shutting out foreign goods, the only medium that Europe has to pay her debts to us or to buy our surplus. From 1920 to 1923, 200,000 people in Europe were underfed, but able to work for food, while American agriculture drifted on the rocks, unable to market our surplus abroad because of the lack of suitable trade relations.

The farmer has lost billions and billions because of the present and past high tariff laws. Everybody knows that the farmer has never got any benefit from tariffs on corn, wheat, meats, lard, and their staple products generally, the home prices of which are fixed by world prices for their surplus. At the same time, under the present tariff law they have to pay three prices for most of the things they use and wear. They think the farmer has been fooled because agricultural implements are on the free list, but these implements are enormously high because iron and steel products used in making them are protected by high tariffs.

WHERE DOES THE MONEY GO?

The trouble is the farmers are toiling without recompense. They are "sowing," but others are "reaping." Let me cite a few instances to make my meaning clearer.

A farmer received a check for $3.13 for a carload of watermelons which he shipped to Memphis, Tenn., and which sold for $110 in that city. The carrier charges on the shipment was $95.87, the commission $11, and the farmer who bought the fertilizer and gave three months of his toil, with that of his mules and hired men, received the balance—not enough to buy seed for his next year's planting.

Another farmer shipped a carload of stuff to New York, where it sold for $125. The transportation on it was $190, the commissions $12.50, leaving the farmer "in the soup" to the tune of $77.50, not to mention the sweat, hard labor, and money which he put into the crop.

Scores of farmers have had to "put up money" to pay carrier charges on stuff that did not bring enough to pay for hauling them. Other scores of farmers let their entire crop rot in the fields rather than to have to guarantee freight or express charges in the face of such a poor outlook.

This is true of grapes, peaches, apples, cantaloupes, beans, cucumbers, and other commodities of that character.

I cite another case—one of pure fool rate making. A melon buyer bought a carload of melons at Melrose, 15 miles south of Valdosta, Ga., and shipped it to Knoxville, Tenn. The transportation charges were 34½ cents per 100, or approximately $104. He also bought a carload of melons at Cecil, 18 miles north of Valdosta, and shipped them to Maryville, Tenn., which is about 15 miles from Knoxville. The charge was 48 cents per 100, or approximately $144 for the car. Though the distance is 30 miles nearer, it cost $40 a car more to handle the melons.

The expert rate makers can tell you how happy a farmer ought to be when he thinks of a piece of melon selling at 60 or 75 cents a slice in the New Willard. The trouble with carrier rates seems to be that they are based upon maximum prices of commodities after some sleight-of-hand performances with tonnage-miles, and they do not help the growers. There is often a spread of 300 per cent from producer to consumer. Too many middlemen. [Applause.]

I repeat what I have said before, that unless something is done to help the farmers reach profitable markets with their crops they might as well quit business. Their best returns this year have come from the stuff they have rushed to near-by markets over the highways in trucks.

Mr. Speaker, I was raised on the farm and am acquainted with the struggles of the farmer. They never endure a hardship but that I am able to sympathize fully with them, having trudged along the same hard path. No one knows, but I believe the remedy is to repeal robber tariff schedules and to pass the bills introduced by me or similar bills now pending in Congress, and things, I hope, will be better. The people of any other profession meeting with one-third the obstacles and trials of the farmer would give up in disgust.

I print below a poem which has in it humor, pathos, and truth, and shows what fortitude these good people have in the very face of adversity:

DOWN ON THE FARM

Down on the farm 'bout half-past 4,
I slip on my pants and sneak out the door.
Out in the yard I run like the dickens
To milk all the cows and feed all the chickens,
Clean out the barnyard, curry Maggie and Jiggs (the mules),
Separate the cream and slop all the pigs,
Hustle two hours, then eat like a Turk;
By heck! I am ready for a full day's work.
Then I grease the wagon and put on the rack,
Throw a jug of water in the old grain sack,
Hitch up the mules, slip down the lane,
Must get the hay in, looks like rain.
Look over yonder, sure as I am born,
Cows on the rampage, hogs in the corn.
Back with the mules, then for recompense
Maggie gets astraddle the barb-wire fence,
Joints all aching, muscles in a jerk,
Whoop! Fit as a fiddle for a full day's work.
Work all the summer 'till winter is nigh,
Then figure at the bank and heave a big sigh.
Worked all the year, didn't make a thing,
Less cash now than I had last spring.
Some folks say there ain't no hell.
Shucks! They never farmed; how can they tell?
When spring rolls 'round I take another chance
As fuzz grows longer on my old gray pants.
Give my galluses a hitch, belt another jerk,
By gosh! I am ready for a full year's work.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. TILLMAN. I will yield.

Mr. BLANTON. I think the gentleman from Arkansas is as well prepared as anyone in the House to speak in behalf of the farmer, because he is a real friend of the farmer and knows their problems. And if the gentleman will permit me, I will say also that the people of the third district of Arkansas are to be commended for keeping him here. He knows the farmer and the farmer's needs. He has been an educator in his State. He has been a distinguished judge on the circuit bench of his State. I would like to ask him this question: Does he not think the time has come for us southern Democrats

who are true friends of the farmers to stand on this floor and fight until the farmers get a square deal in comparison with the protection which the manufacturer receives through the tariff duties levied on goods that come through the custom-house?

The CHAIRMAN. The Chair will rule that a large part of the gentleman's statement is not a question.

Mr. BLANTON. The gentleman from Arkansas yielded to me. The Chair can not curtail what I said.

Mr. TILLMAN. I can not admit all the good things that the gentleman has said about me. Without doubt it behooves the friends of the manufacturers of all kinds of fabricated goods to give the farmer a square deal.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. TILLMAN. Yes.

Mr. MORGAN. I would like to ask the gentleman if he proposes that the tariff on wool and livestock and meats and other agricultural products, such as wheat, corn, rice, and nuts, be all repealed?

Mr. TILLMAN. No; I do not, but the farmer gets little, if any, benefit from such tariffs.

Mr. STRONG of Kansas. Mr. Chairman, will the gentleman yield?

Mr. TILLMAN. Yes.

Mr. STRONG of Kansas. The farmer much more nearly has a square deal since we raised the tariff on all the things that were put in the last tariff bill than he had before that.

Mr. TILLMAN. Does the gentleman believe that the cotton farmer, or one who produces meat or the producers of wheat or corn were benefited by the Fordney-McCumber tariff bill?

Mr. STRONG of Kansas. I see that the price of wheat in Minnesota is 22 cents more than it is at Winnipeg.

Mr. LaGUARDIA. The gentleman knows that these are ticker farmers.

Mr. TILLMAN. The real farmer long since sold his wheat at little above the cost of production. Now the Wall Street farmers and the agriculturists on the Chicago Board of Trade are merely putting wheat up and down for gambling purposes.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. TILLMAN. Yes.

Mr. McKEOWN. I want to ask the gentleman if corn in Iowa is protected by the tariff?

Mr. STRONG of Kansas. The corn in Iowa would bring a pretty good price if you got the water out of it.

Mr. TILLMAN. Well, that is no answer at all. Does the gentleman from the Corn State of Kansas actually believe in the stale myth that the tariff on corn raises the price of that staple when the price is fixed for our surplus corn in European markets?

Mr. MANLOVE. Mr. Chairman, will the gentleman yield?

Mr. TILLMAN. Yes.

Mr. MANLOVE. I would like to ask the gentleman from Arkansas if we did not receive in southwestern Missouri and Arkansas and neighboring localities a better price for apples and small fruits and strawberries than we ever before received in our lives?

Mr. TILLMAN. We certainly did not. Nor did your blessed Fordney-McCumber bill help us in the least with these crops, but injured your people and mine because it compels them to pay exorbitant prices for everything they purchase in the way of highly protected articles.

Let me say, however, that it is not so easy as it looks to the man away from here to get legislation desired by farmers. It is difficult to tell what legislation will really help. Many Members come from manufacturing and city districts who want cheap farm products and vote against bills that seek to enhance the value of the things grown by farmers. The President and the party in power control legislation, and they oppose and can defeat these bills, and do so. During Mr. Wilson's term farm products brought a fair price and the farmer's dollar had much greater purchasing power under the Underwood tariff bill than under the Fordney-McCumber bill. Those of us who have been here for some time and have voted for every measure or amendment that even promised to aid agriculture know the difficulties that confront the real friends of the farmer in getting through legislation. The farm organizations themselves differ widely as to what legislation will be of actual benefit.

But this problem is easy of solution for a certain type of patriot. With pharisaical ostentation and much noise the country saver who is out of Congress and without experience and wanting to get in, shallow but vocal, knows positively that if he is elected the farmers will at once get all they want and more. Without modesty he so proclaims. Thus he hopes to dupe the people. The fresh candidate shakes his swollen head in disapproval of the record of the present Members. Just elect him and all will be well. He will be the Congress, the other 434 Members, 96 Senators, and the White House will not have to be consulted.

He deplores the dearth of leadership here, meaning, elect me and then note the arrival of a real reader. Poor leaderless party; poor leaderless world. He pleads guilty to greatness. He concedes that Henry Clay's overcoat did not contain enough cloth to make him a hat band. Wide mouthed and abusive, with puffed and advertised pretentions he lards the lean earth with much rich sweat, shed in his rapid and clamorous stridings up and down the counties, criticizing the present membership and extolling his dwarfish talents. But they are not dwarfish to him. Certainly not. He has been a member of the legislature or State senate, or prosecuting attorney, or has been a State officer. He is a self-appointed and a self-annointed Moses. With spiteful malevolence he hurls curses at the Sixty-eighth Congress for raising salaries and straight way strives mightily to be a beneficiary of the raise. [Applause.] He is prostrated over this "outrage," and then fervently thanks God for the "outrage." He admits that he is too cheap for the salary, but runs for it and covets it. He holds up a feeble right hand to Heaven, mumbling maledictions against such "extravagance," and with his left hand behind him he wiggles his itching fingers and wigwags the salary he condemns, to hasten homeward to him. [Applause.] This is calculated to "make the judicious grieve."

And this journeyman country saver, engaged busily in grinning farmers out of votes, is either a "farmer" himself merely practicing law for recreation, or he is the only real living, breathing friend the farmer has left. Yet in all likelihood he has been riding the farm home owner to financial death or spurring him toward poverty and despair by extracting from his all but empty pocketbook so-called lawyer fees in special road districts that here and there have marked his official pathway with wreck and ruin. [Applause.]

It is the stock argument of such a man that the Member has done nothing. It is mighty easy to say that, and we hear it from the outs regardless of what the facts are. [Applause.]

I desire, while I am on my feet, to discuss another matter briefly.

Recently I spoke on this floor in defense of Colonel Mitchell. The speech was generously received by my colleagues, and the great dailies of America gave it front-page prominence. That gratified me and was pleasing to the district that I have the honor to represent. Many letters and telegrams have reached me commending the address, and below I print a few newspaper comments and an occasional letter:

Scathingly denouncing the "cruel and heartless" Army court-martial which meted drastic punishment to Col. William Mitchell "for telling the truth," Representative JOHN N. TILLMAN, Democrat, of Arkansas, from the floor of the House appealed to President Coolidge to mitigate or quash the sentence.

Seething with indignation over this action by the Army high command to "muzzle and humiliate" Mitchell, Members of Congress are pouring in a flood of bills and resolutions.

If adopted, they would scrap the entire system of national defense and set up a unified air service, with equal status to other arms of the defense works.

While TILLMAN was laying his barrage against the Army high command for their attempt to "gag and disgrace" Colonel Mitchell "for arousing the country to the deplorable state of the Nation's air defenses," Representative LORING M. BLACK, Democrat, of New York, was issuing a scorching statement.

PROVIDE FOR REFORMS

Both introduced resolutions denouncing the sentence and providing for reforms in any administration.

"I call upon the President of this justice-loving Nation to mitigate or quash this harsh sentence imposed on Colonel Mitchell," said TILLMAN solemnly, as Democrats applauded vigorously, while scattering applause came from Republicans.

"My belief is that fair-minded men and women of America will not suffer the verdict of this arrogant court-martial to stand.

"The court finds Mitchell guilty of violating the ninety-sixth article of war and penalizes him by retaining him in the Army, but suspending him from rank, command, and duty, with forfeiture of all pay for five years.

"This court sought to affix a gag.

"In the newspapers this morning is a picture of Colonel Mitchell holding in his arms his infant daughter. In the name of the baby and for the sake of his family and himself I have introduced a resolution to cut the claws of these heartless court-martial authorities."

The resolution introduced by Mr. TILLMAN fixes 30 days as the maximum period for which an Army officer can be suspended without rank or pay by a court-martial. (Universal Press Service.)

THE NEWSPAPERS

Representative TILLMAN made a bitter attack upon the Mitchell court, in the course of which he called upon the President of this justice-loving Nation to mitigate or quash this harsh sentence.

Commenting on the banishment of Captain Dreyfus to Devils Island, Mr. TILLMAN declared that "not less tragic is the unjust doom of Colonel Mitchell, 'the Captain Dreyfus of America.'" (New York Times.)

Representative TILLMAN (Democrat, Arkansas) made a vigorous speech demanding that the President mitigate the sentence imposed on Mitchell.

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LIKENED TO DREYFUS CASE

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He compared the Mitchell case with the Dreyfus case, saying:

"I recall that an army clique in France prosecuted and hurried to his doom Captain Dreyfus. A French officer broke the Captain's sword over his knee and cast the fragments at his feet to humiliate him. Dreyfus was innocent of military wrongdoing, and his conviction by a court of enemy martinets, his banishment to Devil's Island, and the deathless devotion of his beautiful wife, form the web and woof of a tragic story.

"But not less tragic is the unjust doom of Colonel Mitchell, the 'Captain Dreyfus of America.'" (New York World.)

WASHINGTON, December 19.—Comparing Col. William Mitchell to Captain Dreyfus who was unjustly banished to Devil's Island by a French court-martial and later acclaimed as a hero, Representative TILLMAN, Democrat, Arkansas, warned the House to-day that Colonel Mitchell, degraded by a military court sentence on Thursday, will some day be publicly acknowledged as a national benefactor.

"I call upon the President of this justice-loving Nation to mitigate or quash this harsh sentence," shouted TILLMAN in his impassioned address to the House. "The season of peace and good feeling approaches. In this season of good will, the Chief Executive of the people who love free speech and hate tyranny should intervene. Mr. Coolidge has rare strength and we look to the Commander in Chief to mitigate this drastic judgment."

"In view of the fact that he himself was sufficiently aroused by disquieting rumors concerning the Air Service to name an investigating commission—the Morrow Board—the President should act at once to set aside the court-martial sentence and restore Mitchell to his former rank." * * *

COURT-MARTIAL DENOUNCED

"This arrogant court-martial finds Mitchell guilty of violating the ninety-sixth article of war," declared Mr. TILLMAN, "and harshly penalizes him by retaining him in the Army but suspends him from rank, command, and duty with forfeiture of pay for five years. The officers of this court did not dismiss Mitchell from the Army but retained him so that he could not pose as a martyr nor indulge in further criticism.

"The court-martial seeks to inflict an unusual and cruel punishment. * * * If the court dismissed the colonel he could go to work, but he is retained without pay and can not do so. This verdict is an insult to free America.

"It seems that in this trial the usual military procedure was not allowed to take its course, but a court was organized to 'get' the colonel, and this booted and spurred inquisition 'got' him in double-quick time.

"The haughty and much-decorated General Staff had long sought a chance to humble this officer, with 27 years of honorable military service both in peace and war behind him, and now their machine guns have done their work.

"The colonel talked freely, criticized frequently, openly, and constructively, and sought only to direct the attention of the country to Army and Navy mistakes, and desired only a betterment of the wretched condition of our air defense.

SON KNOWS MITCHELL

"I have a slight sentimental interest in Colonel Mitchell. My son fought 18 months in the Ninetieth Aero Squadron in France and knew and liked him. Aside from that, I do not think this officer has had a square deal.

"They sought to affix a gag. In a newspaper this morning is a picture of Colonel Mitchell holding in his arms his infant daughter. In the name of the baby and for the sake of his family and himself I have introduced a resolution in the House to clip the wings or rather to cut the claws of these heartless court-martial authorities." (Chicago Tribune.)

The Army court that tried Colonel Mitchell did what it was appointed to do—found him guilty.

The verdict was foreordained, because any other one would have meant the dismissal of the all-powerful bureaucrats in the War Department.

An overwhelming majority of the people think Colonel Mitchell was substantially right.

They greatly admire him, as they did Lieut. Col. Theodore Roosevelt for denouncing his superiors, who were responsible for the embalmed beef and the sacrifice of life at Santiago, Cuba.

Roosevelt's act of insubordination made him Governor of New York, to become later President of the United States.

Mitchell's act might well make him governor or senator in his State, Wisconsin.

For Alger, the Michigan lumber magnate, was no more disastrously incompetent as Secretary of War in President McKinley's day than Weeks, the Boston stockbroker, was in President Harding's Cabinet.

It is a very serious situation for the people. No need to worry about Colonel Mitchell, personally. He is well able to take care of himself.

But what are the people to do if men responsible for the Shenandoah disaster are promoted and the man who exposed the bureaucratic incompetents is first demoted, then suspended from rank, duty, and pay for five years?

Mitchell faced a bench of Army judges so stacked against him that some of them had to withdraw, admitting their prejudice against him. The remaining officer-judges found him guilty, as a matter of course.

American history gives us no better example of the cruel and unusual punishment "against which private citizens, outside the Army, have been protected by the eighth amendment of the Constitution."

The prelude to national disaster has always been the punishment of patriots who tried to call attention to the needs of the nation.

Representative TILLMAN, of Arkansas, spoke with the voice of the country when he said in the House of Representatives on Saturday:

"This verdict shames the service and insults free America.

"A court was organized to get the colonel, and this booted and spurred inquisition got him in double-quick time.

"The haughty and much decorated General Staff had long sought a chance to humble this officer, with 27 years of honorable military service, both in peace and war. Mitchell talked freely, criticized frequently, openly, constructively, and sought only to direct the attention of the country to Army and Navy mistakes and desired only a betterment of the wretched condition of our national defense."

It can not be said that President Coolidge is responsible for penalizing Mitchell for telling the plain truth about the aircraft situation, but the President should not allow his administration to be held responsible for not taking some definite action to protect Colonel Mitchell from the malignant hostility of bureaucrats. (New York American editorial (Brisbane).)

PAWHUSKA, OKLA., *December 22, 1925.*

Congressman JOHN N. TILLMAN,

House Office Building, Washington, D. C.

DEAR FATHER: Col. William Mitchell commanded the First Observation Group of the First Army Air Service. In the Army were three squadrons of airplanes.

I knew Colonel Mitchell practically all during the war. Capt. William G. Schauffler, who testified in the recent hearing at Washington, commanded my squadron—the Ninetieth Aero Squadron; Colonel Mitchell commanded the group. I was made squadron operations officer under Schauffler, and when he was promoted and assigned to Colonel Mitchell's place I went with him as operations officer for the group. In this manner I came frequently in contact with Colonel Mitchell and knew him fairly well. He was an able and courageous officer and made frequent flights over the line, and was one of the very first, if not the first, American officer to cross the lines. Even at that time, all during the war, and at its most critical times we were flying in French planes, some of them discarded by them and labeled by the Americans, along with the Liberty-engined planes, as "flaming coffins." These planes were Breguets, Solmsons, and A. R's. I was with Colonel Mitchell mainly at Bethloinville and Souilly, France, just above Verdun.

My opinion is that Mitchell is sincere, and there is no question of the facts of the situation, but it might be that Mitchell's method is not the proper course. He should resign and then continue his observations. My knowledge of Colonel Mitchell has not been extensive since the war, but my opinion is that he is right, without question, in his contention, and the decision of the court-martial is as unjust and as arbitrary as possible and cunningly framed to silence him and punish him at the same time. It is the Army system.

The following is a copy of a letter I received from Colonel Mitchell under date of July 22, 1925:

"MY DEAR MR. TILLMAN: Thank you very much for your invitation. Indeed, I do remember you very well, and am glad to hear from you. I hope if you ever get down here, you will come in to see me.

"I will try to get up in September if I can, but I doubt if I will be able to do it. However, I hope to drop in on you sometime.

"Best regards.

"Yours very sincerely,

WM. MITCHELL."

FRED TILLMAN.

NORTH LITTLE ROCK, ARK., *December 21, 1925.*

Hon. Representative TILLMAN,
Washington, D. C.

DEAR SIR: Thousands of people of the State of Arkansas indorse your support of Colonel Mitchell. Personally, I would like to see him put in charge of all the air forces of the United States.

Yours,

S. E. RILEY.

GENTRY, ARK., *December 20, 1925.*

Your speech favoring Mitchell was fine and received my hearty indorsement.

L. H. GRIFFIN.

CINCINNATI, OHIO, *December 21, 1925.*

Representative JOHN N. TILLMAN,
Care House of Representatives, Washington, D. C.

MY DEAR MR. TILLMAN: As a private American citizen from Cincinnati, Ohio, I assume the privilege of addressing you in congratulating you for the manly stand you are taking on the floor of Congress in defense of Col. William Mitchell. Had you had the opportunity of traveling about as I have to do at present, and hearing the voices of men and women in indignation against the court-martial court for delivering this verdict against the gallant officer Col. William Mitchell, I am sure that Congressmen in general would rise as a whole in defense of the Colonel because of the outrageous and inhuman verdict rendered against him.

I hope that the Commander in Chief, President Coolidge, will hearken to the general protest of the American people and rescue Col. William Mitchell from the blackest injustice. Had I the good fortune and honor to represent a congressional district I would, with all my soul and heart, vigor and courage, denounce the court-martial from the floor of Congress.

Hoping you will pardon me for this privilege I am taking, I have the honor to remain,

Most respectfully yours,

Dr. J. N. GARFUNKLE.

PARIS, ARK., *December 21, 1925.*

DEAR SIR: You are right in the Mitchell affair. The people are behind and for you. I have been in the Army four times, and in there there is more foolishness than in any business of life I have ever witnessed. If the big corporations of the country were run on the same principle they would be a failure and not long about it. The old question of seniority, regardless of ability, character, or anything else, is lamentable and makes men abusive and arrogant. * * *. Let men who are competent and worthy have some little liberty in the shaping of the affairs of the Army of this great Government.

* * * * * * *

I am, very truly,

HENRY STROUPE.

EMAUS, PA., *December 22, 1925.*

The Hon. JOHN N. TILLMAN.

DEAR SIR: Pardon me for addressing you. I rejoice in the position you are taking in the Mitchell case. They "got him." I hope a cyclonic reaction will "get them." I am a lifelong Republican, my father's house and grandfather's house were Republican, and preaching since 1886, and only once voted for a Democrat. If the President sustains that verdict the Republican Party will hear the thunder roar and see the lightning flash at the next election. God bless you. Stand by Mitchell and his family.

Yours truly,

G. W. IMBODEN.

LOS ANGELES, CALIF., *December 20.*

Congressman TILLMAN,
Washington, D. C.

DEAR MR. TILLMAN: The real American people feel as you do. It is shameless and a disgrace to treat an American in such a manner. You can use all the adjectives in the dictionary and then not tell the story fully.

Respectfully yours, J. H. CHANEY.

FORT SMITH, ARK., *December 21, 1925.*

Hon. JOHN N. TILLMAN,
House of Representatives, Washington, D. C.

DEAR MR. TILLMAN:

* * * * * * *

Permit me to congratulate you on your fight for General Mitchell. I think you are right and hope you can win out.

Very truly yours,

JNO. M. ANDREWS.

LITTLE ROCK, ARK., *December 21, 1925.*

Hon. JOHN N. TILLMAN,
Washington, D. C.

DEAR SIR:

* * * * * * *

I enjoyed very much your speech in Congress in defense of Colonel Mitchell. It is, indeed, an outrage to have this fine man unjustly humiliated. * * *

Yours truly, J. B. DICKERSON.

PHOENIX, ARIZ., *December 20, 1925.*

We send congratulations and our appreciation for the speech you made in the Mitchell case. You voiced the minds of the masses.

* * * * * * *

Sincerely,

J. B. and D. B. BARKER.

KANSAS CITY, MO., *December 21, 1925.*

Representative TILLMAN,
House of Congress, Washington, D. C.

DEAR SIR: We, the undersigned, take this opportunity to send to you our congratulations for the speech you made last week in the House of Representatives in behalf of the defense of Colonel Mitchell and free speech. Your call upon the President for his actions is most timely and well taken.

Very truly, H. B. DORSETT.
C. W. CARPENTER.

WACO, TEX., *December 21, 1925.*

Anent, briefly, the contents of the attached clipping.

As an American by the mother's milk, I "rise to speak a word of praise for the brave men whose names are printed in the clipping; men who place right and justice above all else * * *." The findings of the court is a triumph for the political machine operating in this country over Colonel Mitchell.

The Nation is back of the aviator * * *.

* * * You men have taken your breakfast upon the lips of the "General Staff" in its attempt to "get Mitchell."

Very sincerely yours,

Dr. WALTER LEE AUSTIN,
324 North Twelfth Street, Waco, Tex.

MEMPHIS, TENN., *December 20, 1925.*

Hon. JOHN N. TILLMAN,
Washington, D. C.

DEAR JUDGE TILLMAN: Your defense of Colonel Mitchell has placed you on the front pages of our evening and morning dailies, as you will note from clippings inclosed, on which I congratulate you.

J. L. TAFF.

PINE BLUFF, ARK., *December 20, 1925.*

Hon. Mr. TILLMAN,
Representative of Arkansas,
Washington, D. C.

DEAR MR. TILLMAN: I have just read your stand on the Mitchell court-martial and want to compliment you.

How are we, the taxpayers of the Government and who are the greater part of the Government, going to find out what the Air Service needs if the experts in that service are not permitted to tell us? The war is over, and now the voters and taxpayers believe they are entitled to know how their money is spent and what is needed for adequate national defense.

"Prepare for war in time of peace" is an old slogan, and its psychology is as true as the Bible. We will have war just as long as nations and races exist on this earth. A league of nations may do much in the interest of better international understanding, but they will never be able to abolish war as long as commercialism exists, and without commercialism the peoples of the world would cease progress and return to cave men and coconut hunters.

On the afternoon train from Little Rock to Pine Bluff I heard quite a number of compliments paid you by passengers of both sexes. That should indicate that your stand is considered right, just, and timely.

No doubt the President's political advisers will seek a conference should he fail to act to the majority will of the people, which will make itself manifest soon or at next election.

The American voter believes in discipline, knows it's necessary; but when it oversteps the bounds of free speech in letting taxpayers know facts, he will always be on the side of free speech, a fundamental of our Constitution.

I remain, very respectfully yours,

CHAS. T. SCHADE.

COTTER, ARK., *December 26, 1925.*

Hon. JOHN N. TILLMAN,
Washington.

DEAR MR. TILLMAN: In this connection you certainly hit the popular chord when you came to the defense of Colonel Mitchell. You are right, absolutely.

* * * * * * *

Sincerely,

H. D. ROUTZONG.

6348 KENWOOD AVENUE,
Chicago, Ill., December 22, 1925.

DEAR MR. TILLMAN: I was greatly pleased to see your statements in the papers here with reference to the Mitchell inquisition and want to thank you for your splendid attitude in hastening to his defense. All of the Chicago papers featured your statement before the House and carried your picture.

I have remained in the Air Service Reserve Corps since the war; however, if that is the brand of justice they hand out, I feel like resigning my commission.

* * * * * * *

Your friend,

W. F. MITCHELL, Jr.

It is a delicate matter to quote one's own family, but I have referred to my son's letter believing it good testimony in support of Colonel Mitchell's gallantry in action.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. TILLMAN. Yes.

Mr. LAGUARDIA. Permit me to say that Lieutenant Tillman, the son of my friend from Arkansas, was awarded the croix de guerre, the Legion of Honor, and the distinguished service cross for gallantry in action. [Applause.]

Mr. TILLMAN. I prefer not to refer to those things, but I thank the gentleman for his kind words. I want to say to the gentleman himself that I saw him serving his country in Europe, and while men may object to his views on a great many things, the fact is that he made a gallant officer and brought honor to himself and to his country by his service during the World War. [Applause.]

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. TILLMAN. Mr. Chairman, I ask for five additional minutes.

Mr. CARTER of Oklahoma. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. TILLMAN. Among the letters I received condemning my position on the Mitchell trial was one from a gentleman in Georgia, whose name I do not recall. He stated that if the Congress had given the Army, the Navy, and the Air Service money enough there would not have been any dearth of planes, and that there would not have been anything to criticize. Now, in my judgment, two of the most useful men who have served upon the Republican side of the House have been the gentleman from Illinois, Mr. Mann, who, I believe, taking everything into the count, was the most useful legislator I ever knew, and the gentleman from Illinois [Mr. MADDEN] is in the same class with Mr. Mann. I think I saw Mr. MADDEN quoted as saying that Congress had been generous in pouring out money for air defense and for the Army and Navy, but that somebody had been extravagant and squandered the money. However, this I know. I served here during the war. I voted for every measure that was offered proposing to carry on the war successfully, and I know that but few, if any, Liberty planes, for which we appropriated vast sums of money, were used on the fighting lines over in France. We had, as my son says, to rely largely upon second-hand and discarded planes that the French had sold to us or the English had sold to us, and they were so unsafe that they were branded as "flaming coffins." [Applause.]

Mr. BLANTON. Will the gentleman yield for one question?

Mr. TILLMAN. I would like first to ask the gentleman from Illinois [Mr. MADDEN] if he is quoted correctly in saying that large and generous sums have been voted from time to time for airplane and other Army and Navy defenses and whether he is not of opinion that that money was squandered?

Mr. MADDEN. If the gentleman will permit me to make a somewhat comprehensive reply, from 1917 until the close of the war there was placed at the disposal of the Army and Navy combined, an aggregate sum for aviation purposes alone of $1,977,000,000, $490,000,000 of which we took away from the Army and $90,000,000 from the Navy because they were not able to use it and had not produced anything from what they had used. Since the war closed we have appropriated $433,000,000 or $86,676,000 per annum for aviation alone for the Army and the Navy, and this does not include $85,000,000 we have appropriated for the construction of two airplane carriers costing $96,000,000 combined, which would make a total of over $520,000,000 for five years, or over $100,000,000 a year. England is the next country which has appropriated the most, having appropriated $83,000,000 a year; France, $55,000,000 a year for military aviation and $10,000,000 for commercial aviation; and Japan, $10,500,000 a year only, while we have appropriated over $100,000,000 a year ever since the war and we have not a thing to show for it. [Applause.]

Mr. TILLMAN. The gentleman then is clearly of the opinion that this critic from Georgia is not fair in his statement to the effect that we have not appropriated sufficient money to justify proper expenditures for aviation by the Army and the Navy?

Mr. MADDEN. He is not only not fair but he does not tell the truth. [Applause.]

Mr. BLANTON. Will the gentleman yield for one question more?

Mr. TILLMAN. Yes, sir.

Mr. BLANTON. Is it not a fact that General Mitchell was the first American during the World War to be decorated in France; that he was decorated by Italy and by France and by Great Britain, and that he has the distinguished-service cross and the distinguished-service medal from his own country?

Mr. TILLMAN. I know his breast is covered with medals that he won in actual fighting above the clouds [applause], and not by sitting around with spurred heels on top of a mahogany desk. [Laughter and applause.]

Arthur Brisbane, editor of the Hearst dailies, whose salary approaches the $100,000 mark, says:

Mitchell was condemned by swivel-chair soldiers.

Mitchell knew his subject, did not hesitate to look for a spade and call its by its proper name. He desired only to truthfully advise the people about actual Army and Navy mistakes, extravagances, and to point out the pitiable condition of national air defenses. His frankness, his blunt candor, and his fearlessness wrought his downfall. His only object was his country's good. A military tribunal crucified him.

But the world has often crucified its intending saviors and its actual saviors.

Columbus went to sea at 14, was a bold and skillful navigator, discovered a new world, and became a victim of jealousy and was assailed with unjust charges which cut him to the heart. He never rallied, and died broken in body and soul.

Servetus lived a model life, but was burned to death for his Arianism by the orders of Calvin.

Savonarola, great preacher, denounced abuses of all kinds, was excommunicated by Alexander VI, tortured, and cremated.

Joan of Arc, a country girl of 18, mounted a horse, headed the troops of the Dauphin Charles, defeated his foes, restored his fallen fortunes, and secured to him the crown of France, and was condemned to the flames as a heretic and sorceress.

Galileo adopted and proved the Copernican system, invented the telescope, but the Jesuits denounced him to the inquisition as a heretic, and Pope Paul V, under threat of throwing him on a burning log heap, made him promise to quit teaching that the earth moves.

Socrates was gallant in war, distinguished in statecraft, and great as a teacher of philosophy, but on charges faked up by Lycon, Meletus, and Anytus they made him drink poison.

And so, Colonel Mitchell, your fate is an old, old story.

Mitchell studied the intricate mechanism of the fighting plane. He selected this dangerous arm of the service. He went overseas, and went there to fight. I see him in his plane, high above the fertile fields of brave and beautiful France, hurtling through the air with martial whir and clang of wings like a flash of lightning to engage the enemy. His flight was the flight of the game bird of war.

Really, was this game war bird winged and brought to earth by swivel-chair heroes? Some say so.

An eagle towering in her pride of place
Was by a mousing owl hawk'd at and killed.

Briefly this is Mitchell's case. He fought splendidly, was decorated for bravery, his bosom blazing with medals won in the shock of actual battle. He merely sought to point out the errors of those high in the councils of the national defense; was anxious to improve that important line of defense, the Air Service; offered constructive criticism; explained his policies as to what should be done; and this criticism and information offered by him was, because of his manner of

presenting it, used to destroy him. They barbed him with arrows snatched from his own quiver.

So the struck eagle, stretch'd upon the plain,
No more through rolling clouds to soar again,
View'd his own feather on the fatal dart,
And wing'd the shaft that quiver'd in his heart.

Mitchell, the brilliant, reckless flyer, told the truth in a very blunt and soldierly way; exposed with candor, but like a plain blunt fighter will, the faulty methods of the haughty higher-ups with regard to Army, Navy, and air defense. Then the uniformed highbrows composing the military tribunal which tried him, imperious as so many Cæsars, in a tyrannous wantonness of power, broke his sword and stripped him of his honors, won in the drudgery and dirt of peace-time preparation, and among the bombs and gas, the thunder and lightning, the horror and hell of war.

The harsh sentence of the general court-martial is an affront to the citizenry of America and means the end of a "first-class fighting man." For Colonel Mitchell the play is done—the curtain drops. Because of this fact the General Staff of the Army, the General Board of the Navy, and ex-Secretary of War Weeks enter the new year in a joyous frame of mind. [Applause.]

Mr. CRAMTON. Mr. Chairman, I yield 20 minutes to the Resident Commissioner from the Philippine Islands [Mr. GUEVARA]. [Applause.]

Mr. CARTER of Oklahoma. Mr. Chairman, I also yield 20 minutes to the gentleman.

Mr. GUEVARA. Mr. Chairman, gentlewomen, and gentlemen of the committee, in the course of the political relationship between the United States of America and the Philippine Islands there is one event which has been a source of profound gratification to the Filipinos. I refer to the visit of the congressional party and that of the individual Members of this House and the Senate to the Philippines during last summer. The Filipino people, setting aside their political differences and forgetting the difficulties resulting from the present anomalous situation prevailing in the islands, were unanimous in the joy of greeting the representatives of the greatest country of the world, on whose good faith and sense of justice depends the final solution of the Philippine problem. They were proud to have had the privilege of opening the doors of their homes to the distinguished visitors and showing once more their loyalty to, admiration, and esteem for the United States for her glorious accomplishments in the Philippines during the last 27 years. Furthermore, the visit was regarded by the Filipino people as an opportunity for those Members of Congress to see right on the spot the actual conditions and facts upon which to base a just solution of the Philippine problem. The visiting Members of Congress found that the Filipino people, while holding no grievances against the United States, have attained a civic consciousness which compels them to struggle for what they believe to be their rights and privileges under the American flag.

THE FULFILLMENT OF AMERICA'S PLEDGE

There exists a consensus of opinion that the present arrangement is not profitable to anyone. Everybody believes that the present political situation of the Philippines demands a definite settlement. There is on the statute books of this Nation the formal, solemn, and official pledge of the American people that independence shall be granted to the Philippine Islands as soon as a stable government is established therein. The Filipino people believe that there is now established in the Philippines a stable government capable of fulfilling its international obligations, maintaining order, and safeguarding life and property. There are some who take exception to this view.

They hold that there can not exist a stable government when its inability to repel external aggression is evident. I will admit that this is a practical definition of a stable government only if we consider the present world's organization as one composed of soulless plunderers. If the stronger nations can deprive the weaker of their inviolable right to be independent without provoking the indignation and protest of the others, then the blood shed in the past for the defense of justice and freedom has been all in vain. [Applause.] The world then is still unsafe for democracy and liberty. No nation can feel secure, and the tendency of each now and in the future would be to increase its armaments as the only safeguard of freedom. It would mean reverting to the days of old when might made right and when the small nations were but preys of the stronger ones. Fortunately, however, this is not the case to-day. When the United States hoisted its flag in the battle fields of Europe and announced to the world the well-known principles and ideals for which she stood, a new era in the policy and life of nations was inaugurated. The strong and weak nations were constrained by her moral influence to accept and adopt them, and subsequently the world has witnessed the birth of many independent countries. It is with a mixture of great satisfaction and enthusiasm that the Filipinos view the recognition and admission of these newly liberated countries into the concert of nations. The Filipino people do not overlook the hardships and difficulties that confront them in their new status; on the other hand, the unusal courage and determination they manifest in surmounting every obstacle to maintain and preserve their recently acquired rights are truly encouraging to every struggling people.

ANALYZING THE PHILIPPINE GOVERNMENT

Now, gentlemen of the committee, whatever might be the judgment of this Nation as to the time of fulfilling its pledge, I wish to bring to your attention and consideration the present political situation of the Philippines. On the 29th of August, 1916, the Congress of the United States of America enacted what is commonly known as the Jones law, by virtue of which a provisional system of government designed to train the Filipino people in the art of self-government was established in the Philippines. It was intended to democratize our governmental institutions by recognizing that the will of the people should reign supreme. It affirmed the principle that no single man, however good and wise he may be, should alone have the power to determine what is best for the public interest. A legislature was created composed of men elected by the people. Its legislative jurisdiction is limited to domestic affairs. Questions affecting trade relations between the islands and the United States are left exclusively to Congress, while tariff acts or acts intended to amend the present Philippine tariff law are not to take effect until approved by the President of the United States. Any act of the Philippine Legislature affecting immigration or the currency or coinage laws of the Philippines also requires previous approval from the President before it can be enforced. The supreme executive power of the government of the Philippine Islands is vested in the governor general, who is appointed by the President with the advice and consent of the Senate. He is vested with the power of veto. The Philippine Legislature can override this veto by a vote of two-thirds of both houses; but if the governor general still disapproves of the bill in controversy, the measure is then sent to the President of the United States, whose decision is final. Thus any vote of the Philippine Legislature, even if unanimous, may prove to be absolutely ineffective. The Congress of the United States has also reserved the authority to amend or repeal any law enacted by the Philippine Legislature.

HOW THIS GOVERNMENT CAN BE SUCCESSFUL

Such a system of government to be successful must be administered with breadth of vision and a sincere spirit of cooperation for the mutual welfare of both parties. As conditions now exist the governor general may consider himself either as a mere guardian of the sovereignty of the United States invested with the authority necessary to check any acts which may impair this sovereignty, or as an absolute ruler of the Philippines. As a practical matter, he may alone set forth the policy to be followed by the government of the Philippines, if he chooses; and may constitute himself the court of last resort as to the merits of legislation regardless of the action taken by the direct representatives of the people. He may exercise almost unlimited powers if he should wish without the necessity of any congressional action. He may reduce the Philippine Legislature to the status of a superfluous organization. In other words, he can establish and maintain a purely personal government in the Philippine Islands. All this is possible under the present system of government in the islands. One governor general may be more liberal than another in determining the extent to which he should exercise his authority; but the true issue presented is not one of men, but of principle. Such a system is repugnant to the fundamental American principle of government of, for, and by the people. [Applause.]

THE POWER OF THE BALLOT

A government can not be democratic unless it is responsible to the people; and in turn it can not be responsible to them unless they are enfranchised with the authority to control their officials through the power of the ballot. [Applause.] This is the essence of democracy for which this Nation has struggled. This is the cry of the age and the only way to curb personal and arbitrary government.

The Filipino people were led to believe, and they do believe, that in enacting the present organic act granting them a more autonomous government Congress intended to better prepare them for the eventual assumption of the responsibilities of complete independence by placing in their hands as large a control of their domestic affairs as could be given them with-

out in the meantime impairing the exercise of the rights of sovereignty by the people of the United States. Unfortunately, however, the letter of the law may well cause conflicting interpretations and mistaken application. The human element can not very well be disregarded in the general discussion of this system, and therefore it should prove no surprise if at the time of some crisis in their affairs the true intent of Congress should become obscure. Such a situation could not fail to create regrettable, but none the less serious dissatisfaction and discontent among the people who have no right to secure the necessary relief through the ballot. It is imperative that a remedy be immediately applied to prevent such a possibility. The government must be placed in the hands of the majority in order to endure, for, as Lord Bryce has said, "the rule of many is safer than the rule of one." It is only "by the self-restraint and good sense and good will of the bulk of the nation," rather than "by the creative power of great intellects," that popular government can live and prosper.

THE PRICE OF FREEDOM

It is not necessary for me to discuss whether or not the working of the present system of government in the Philippines is such as to bring out all or some of its inherent defects. Suffice it to say that "eternal vigilance is the price of freedom." It is my understanding that this principle has the unanimous adherence of the American people. It is the cornerstone of the American political life. It is the moral foundation of American institutions. Whenever the will of men, who are in truth the servants of political institutions, usurps the place of the basic principles which gave those institutions birth, then arises the grave danger that a government of men may supersede that of a government of law. And whenever the people do not possess the power to recall their officials if they find it conducive to their common weal, the danger of an oligarchical or autocratic government must continue to exist.

It is not possible to conceive of a democratic and constitutional government unless the people living under it have themselves formulated and adopted the constitution. A constitution granted as a gift to a people is a formula of fictitious and uncertain freedom. Since the constitution is the foundation of all popular and democratic government, it must embody the people's will freely expressed in solemn convention, otherwise individual liberties would be but a dream. [Applause.]

ECONOMIC DEVELOPMENT OF THE PHILIPPINES

Permit me now, gentlemen of the committee, to discuss briefly the relation of this political system to the economic development of the islands. The development of the natural resources of the Philippines is an urgent necessity recognized by everybody. Such an undertaking, if successfully accomplished, would undoubtedly redound to the benefit of both countries. The Philippine Islands might well become the key of the American trade and the broadcasting station of American democracy in the Far East. The Philippines could supply your market, which is the best in the world, with the raw materials needed by your factories, thus making it the natural outlet of the Philippine products. The Filipino people have learned to feel that your interests are their interests and your happiness is their happiness. They are not antagonistic; they can not be antagonistic to American capital and cooperation for the development of their natural resources, commerce, and industry. The history of the American-Filipino relationship during the last 27 years has strengthened the spiritual bond of sympathy and love that binds the two peoples. There is no one in the Philippines who does not feel the keenest gratitude for the benefits derived from this association. The Filipino youths, who constitute the great majority of the population, have been taught and are still taught in the schools American ideals and principles, thus molding their minds and souls in true American spirit. The members of the older generation have likewise been greatly influenced by your examples and teachings, so that they are no less scrupulous in their effort to preserve and maintain them. Your history, which is replete with a series of struggles for freedom, is the source to which every Filipino daily turns for inspiration. In view of these facts the Filipino people can not help but feel a deep sense of gratitude to America and the American people can rest assured that the Filipinos welcome and prefer American cooperation and capital rather that of any other country. Yet, however, much it is to be regretted, it is none the less true that under the present political arrangement a certain feeling of distrust and suspicion exists to-day, and so long as present conditions continue this feeling can not be eliminated.

While we are engaged in the discussion as to the ultimate solution of the political relationship between the United States and the Philippines, the peoples of other nations who are in no wise concerned with our differences, and hence are freed from the handicap of this feeling of distrust on the part of the Filipinos, are taking full advantage of the situation. They are investing their money for the benefit neither of the Americans nor of the Filipinos. They take the profits while we stand idly by and watch.

USELESS CRITICISM OF THE PAST

The relationship between the United States and the Philippines has reached a point where no useful purpose would be served by criticism of the past. To do so would result only in an endless discussion, leaving the important question of economic development of the Philippine Islands unsolved. As far as I can see no American entertains the idea of exploiting the Philippines. I do know that friendly cooperation is the spirit guiding your economic policy, and, as I have stated, my people are prepared to accept it. But this policy can not be carried out effectively without a due and definite adjustment of the present political situation of the Philippine Islands. As matters now stand American investors will not go there; nor can the Filipino people in the light of actual developments patriotically look upon them as true helpers.

AMERICA'S AIM IN THE PHILIPPINES

The enfranchisement of the Filipino people with the fundamental political rights enjoyed by the American people is in perfect accord with American aims and sovereignty in the Philippines. The flag of America was hoisted in the Philippines to be the beacon of hope to which the eyes of the peoples in the Far East might turn for justice and relief. Recent events have demonstrated the accomplishments of the sacred mission of the American flag in the Far East. That flag went to the Philippines to symbolize American institutions and ideals. It does not fly in the Philippines to enunciate to the world the doctrine of "no responsibility without authority." It defeated the forces of autocracy to warn the imperialists that freedom is an inherent right of every people. It was borne by the powerful Army and Navy of this Nation to show that tyranny and despotism have no place beneath its folds. Those who carried it to the Philippines were impelled by the same causes and aims which actuated those who served beneath it on the battle fields of Europe. Wherever it has gone it has been a symbol and a warning to the world that all the resources and man power of this Nation are behind it to maintain and defend the principle of popular government.

EXECUTION OF THE SOLEMN PLEDGE

These are but a few of the reasons why it is felt that Congress should settle once for all the political status of the Philippine Islands. The Filipinos are of the strong conviction that this is the opportune moment for this benevolent Nation to execute its solemn pledge. It is high time to allow them to formulate and adopt their own constitution and organize a government of their own creation according to their own genius and traditions. I am more than confident, I would say I am positive, that when this happy day comes the Filipino people, true to themselves and faithful to their ideals, will write out a constitution rooted in the principles which gave birth to this great Nation. [Applause.]

It is unthinkable that the American people should require of the Filipinos more qualifications for self-government than those possessed by the majority of independent nations of to-day. Neither would it be just to set a specific standard by which the capacity of the Filipino people is to be measured. President McKinley realized this when he stated in his memorable instructions to the Taft Commission, sent to the Philippine Islands in 1900, that the government to be established therein should conform to the habits, customs, and even the prejudices of the inhabitants to the fullest extent consistent with the accomplishment of the indispensable requisites of just and effective government, as such a government was designed not for the satisfaction nor for the expression of the theoretical views of the American people but for the happiness, peace, and prosperity of the Filipinos. Just and effective government has already acquired a clear and definite meaning in the life of nations. The safeguarding of life and property and the guaranty of individual freedom if successfully discharged by a government are enough to meet the requisites of a just and effective government. Nobody can successfully question that life, property, and individual freedom have been duly and effectively guaranteed in the Philippines.

SENATOR SERGIO OSMEÑA

Gentlemen of the committee, a delegation from the Philippines is now present in Washington to present before the President and Congress of the United States the case of the Filipino people. It is headed by one of the most distinguished

citizens and statesmen of the Philippines, Senator Sergio Osmeña, who has the confidence and full authority of the Filipino people to seek a rightful and equitable adjustment of the Philippine political situation.

It is a privilege and at the same time a patriotic duty for me to have the pleasure of conveying to the Congress of the United States his most cordial greetings and his faith in the sense of justice and fairness of the representatives of the American people. Senator Osmeña has come to this country with the feeling of profound sympathy and admiration for American institutions, ideals, and principles. He was largely responsible for the development of American ideals in the Philippines when, during the most trying period of our history, he was the chosen leader of the people in the government. No better man could have been sent to the United States to handle a great cause. Senator Osmeña is fully conscious of the benefits resulting from the American-Philippine relationship, a conviction which he has repeatedly affirmed in his writings and public speeches during his long career in public office. He will voice in this country the sentiments of the Filipino people. In his mission he is guided only by the best and loftiest of motives. His patriotism is untarnished, as evidenced by the great personal and material sacrifices that he has made for the sake of his people and his country. With his undaunted patriotism and broadmindedness, coupled with the readiness of the United States Government to settle the Philippine problem once for all, there is every reason to expect that settlement to the mutual satisfaction and benefit of both parties concerned will soon be reached.

THE GLORIOUS HISTORY OF AMERICA

Gentlemen of the committee, let us face the situation with open mind. It is a great question for both peoples. Our cause is your cause. Since first you raised your flag in that far land of ours, amidst the blessings of the Filipino people, you have demonstrated by deeds and achievements that the aim and intent of the United States was to bring happiness and prosperity to the Philippines. This Nation has in the past dethroned monarchs and emperors. It has cleared the way for world's democracy. Let no one stain its brilliant and glorious history. [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Rhode Island [Mr. O'CONNELL].

Mr. O'CONNELL of Rhode Island. Mr. Chairman and members of the committee, I am taking this opportunity to bring to the attention of the membership of this House a situation which has arisen by reason of the construction placed upon one of the provisions of the World War adjusted compensation act by the Comptroller General of the United States.

In many instances where the veteran has made application for adjusted compensation before his death, which application has been received in due course by the Army or the Navy Department and by those departments transmitted to the Veterans' Bureau, the Comptroller General has decided that when that application was received after the death of the veteran, it was absolutely void and of no force and effect, and no compensation was granted, based upon such application.

I understand there are hundreds of cases of this sort and I feel quite sure that when we passed the act in May, 1924, there was no intention on the part of this body that such a construction should be placed upon any provision of the act. You will recall that at the time of the passage of the act we had what amounted to a cloture rule, with only 20 minutes of debate allowed on each side. Members were not even permitted at that time to extend their remarks in the RECORD, although they had no opportunity to present their views on the floor, and it was several weeks after the passage of that act in this House before such permission was finally given.

In a letter which I have received from the Veterans' Bureau there is this paragraph which will describe the situation to which I allude:

> The Comptroller General of the United States rendered a decision on September 2, 1925, in the case of Carl Hunley, which held that an application for the benefits of the adjusted compensation act, in order to be valid, must have been filed with the War or Navy Department some time before the death of the veteran.

When I examine that act I find nothing which either in fact or in law would warrant any such construction or any such interpretation as has been placed thereon by Comptroller General McCarl.

Mr. BRIGGS. Will the gentleman yield for a question?

Mr. O'CONNELL of Rhode Island. Certainly.

Mr. BRIGGS. Is it not the fact that the War Department in one or more instances has expressly ruled that the application was valid and have passed it on to the Veterans' Bureau, and in one instance I happen to know of, certificate was issued thereon, which the Comptroller General held was invalid because the application had not actually reached the War Department before the death of the soldier and had not the stamp or file mark placed thereon.

Mr. O'CONNELL of Rhode Island. There is no doubt that both the War and Navy Departments in such instances have recognized the fact that a valid application was made. They have then transmitted it to the Veterans' Bureau for action and approval. The Veterans' Bureau have then forwarded the papers to the Comptroller General and he has gone beyond the terms of the certificate referred to in section 303 and noted in some instances that there was a file mark of the bureau which showed that the application, although executed during the lifetime of the veteran, was filed in the bureau after his death, and on that ground ruled that the application was invalid. There is no doubt there are many such cases. I understand one Member of this House has about 15 cases of that sort, and let me show you how drastic, how unfair, and how absurd such a ruling may be.

A member of the veterans' committee told me yesterday that he had a case where a service man made application through the post of the American Legion to which he belonged. He filed the application four months before his death. It laid on the desk of the commander or one of the officers of the legion post, and later when the commander learned of this man's death he sent the application to the bureau, where it was rejected for the reason to which I have referred. Every Member of this House knows that by newspaper publications and notices in many periodicals in this country, the veterans were requested to act through the American Legion and through the American Red Cross. They were designated as governmental agencies through which applications should be filed, and yet although in this case the veteran himself and although the dependents of the veteran, were guilty of no negligence or laches of any sort, the Comptroller General refused to make payment.

Mr. SCHAFER. Will the gentleman yield?

Mr. O'CONNELL of Rhode Island. I will.

Mr. SCHAFER. In every such case where the postmark on the envelope containing the application showed that it was received in the postoffice before the death of the veteran the comptroller has ruled adversely to.

Mr. O'CONNELL of Rhode Island. He has ruled that it must be received and file-marked in the department before the death of the veteran. That is a condition that is not the case of an ordinary insurance policy. This was intended to be practically an insurance policy. You all know that where the insured attempts to change a beneficiary in an insurance policy and the application is transmitted to the insurance company and arrives after the death of the insured, the company never disputes the liability as to the principal sum—the only question there involved, which may be tried out by interpleader, is whether the old or original beneficiary or the newly designated one shall hold the proceeds of the policy.

At the time of the passage of this act we had no opportunity to pass on the questions of phraseology, of construction or interpretation, no chance to amend the act, no chance to ask any questions, but it is not yet too late and I am confident that this mighty Nation, the richest, most powerful, and most grateful in the world, is ready and willing to grant justice to the service men of this country and to their dependents. [Applause.]

I am presenting this matter for the consideration of the House in the hope that the Ways and Means Committee, which originally handled the bill, or the Veterans Committee, which I know is interested in seeing that the service men are given proper recognition, will take this matter up and consider it and give relief in this as well as in other respects.

Mr. McKEOWN. Will the gentleman yield?

Mr. O'CONNELL of Rhode Island. I will.

Mr. McKEOWN. Does the gentleman mean to say they hold that you can not get the benefits of this bonus bill that we passed unless the soldier makes application in his lifetime?

Mr. O'CONNELL of Rhode Island. That is the ruling, and without reading the act I will refer, so that Members may read it themselves, to section 302 and 303. Section 302 provides:

APPLICATION BY VETERAN

> SEC. 302. (a) A veteran may receive the benefits to which he is entitled by filing an application claiming the benefits of this act with the Secretary of War, if he is serving in, or his last service was with, the military forces; or with the Secretary of the Navy, if he is serving in, or his last service was with, the naval forces.
>
> (b) Such application shall be made on or before January 1, 1928, and if not made on or before such date shall be held void.

(c) An application shall be made (1) personally by the veteran, or (2) in case physical or mental incapacity prevents the making of a personal application, then by such representative of the veteran and in such manner as the Secretary of War and the Secretary of the Navy shall jointly by regulation prescribe. An application made by a representative other than one authorized by any such regulation shall be held void.

(d) The Secretary of War and the Secretary of the Navy shall jointly make any regulations necessary to the efficient administration of the provisions of this section.

Section 303 refers to the transmittal of the application, and at the close it says:

(b) Upon receipt of such certificate the Director shall proceed to extend to the veteran the benefits provided for in Title IV or V.

In no part of this section which applies to the transmittal of application is there any requirement or condition precedent that the application shall be received before the death of the veteran.

This matter is important and should be carefully considered and relief speedily granted. I think it should be an administration measure, and I hope the leader of the Republican side will take the matter up at once. I feel sure that we all want to do the right thing, and if the matter has been overlooked and we have to make any change by law so as to avoid the construction placed on this act by the Comptroller General, I think we should not hesitate to do so.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. STEPHENS. Mr. Chairman, I ask the gentleman to have one minute more, and I want to ask him a question.

Mr. TAYLOR of Colorado. I will yield to the gentleman one minute more.

Mr. STEPHENS. If the veteran fails to make application before his death that does not deprive his dependents or the beneficiary from receiving the amount of insurance that he is entitled to at that particular time, which would be $625, but it does preclude the payment of the full value, which would be perhaps $1,500 at the end of 20 years. It does not cut him out of the present value of the insurance, which is about $625?

Mr. O'CONNELL of Rhode Island. I do not think that is exactly accurate. It is partly correct. If the application is made by the soldier, and he should die after it has been received by the bureau during his lifetime, his dependents would receive the full value of it. If, however, he dies under conditions which I have described, then they would not get anything, either the basic amount or the principal sum of the policy, unless they were able to prove dependency, whereas they would not have to prove any dependency in case a man made application before his death and it was received and acted upon by the bureau before his death.

Mr. STEPHENS. I agree with the gentleman, only I did not know that he would have to prove dependency.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. CRAMTON. Mr. Chairman, I yield 40 minutes to the gentleman from Nebraska [Mr. SIMMONS].

Mr. SIMMONS. Mr. Chairman, President Coolidge in a special message to the Sixty-eighth Congress, April 21, 1924, said:

Many occupants of our reclamation projects in the West are in financial distress. They are unable to pay the charges assessed against them. In some instances settlers are living on irrigated lands that will not return a livelihood for their families and at the same time pay the money due the Government as it falls due.

Temporary extensions of time and suspension of these charges serve only to increase their debts and add to their hardships. A definite policy is imperative and permanent relief should be applied where indicated. The heretofore adopted repayment plan is erroneous in principle and in many cases impossible of accomplishment. It fixes an annual arbitrary amount that the farmers must pay on the construction costs of projects regardless of their production.

In its place should be substituted a new policy providing that payments shall be assessed by the Government in accordance with the crop-producing quality of the soil.

The facts developed by the special advisory committee show that of the Government's total investment, $18,861,146 will never be recovered. There will be a probable loss of an additional $8,830,000. These sums represent expenditures in the construction of reservoirs, canals, and other works for the irrigation of lands that have proven unproductive. I recommend that Congress authorize the charging off of such sums shown to be impossible of collection.

* * * * * * *

More than 30,000 water users are affected by the present serious condition. Action is deemed imperative before the adjournment of Congress that their welfare may be safeguarded.

The probable loss and the temporary difficulties of some of the settles on projects does not mean that reclamation is a failure. The sum total of beneficial results has been large in the building up of towns and agricultural communities and is adding tremendously to the agricultural production wealth of the country. Whatever legislation is necessary to the advancement of reclamation should be enacted without delay.

This message was based upon the report of the fact finding commission and transmitted with that report to Congress together with certain proposed and recommended legislation.

Under date of September 8, 1923, Secretary of the Interior Work formed the "fact finding commission" to make an intensive study of the policy, application, and operation of Government methods of reclaiming arid lands by irrigation.

The commission, as finally formed, consisted of Thomas E. Campbell, former governor of Arizona; James R. Garfield, former Secretary of the Interior; Oscar E. Bradfute, president of the American Farm Bureau Federation; Clyde C. Dawson, irrigation lawyer of Denver, Colo.; Elwood Mead, professor of rural economics of the University of California, and an irrigation engineer; and John A. Widtsoe, president of the College of Agriculture of the State of Utah. These men were all men who, as Secretary Work said, had "national confidence."

This commission met October 15, 1923, in Washington, and were addressed by Secretary Work, who, among other things, said:

The Reclamation Service, for which this department is responsible, apparently requires reorganization. Annual reports on some projects indicate their insolvency and pending failure. Out of the 28 projects only one has met its obligations as they fell due. Long extensions of time for payments due are being urged individually and by projects. The original 20-year period for payment is expiring on certain projects and an additional 20-year extension is being asked. In one instance, such extension is to be preceded by a 5-year moratorium.

Reclamation of arid lands by irrigation from Government funds, as heretofore practiced, is failing on a majority of projects as a business procedure and must be promptly readjusted as to methods of reimbursement for funds appropriated and for the purpose of securing to the settler a permanent home.

I desire now to speak about the work of that commission, their report, the legislation which they recommended, the legislation which Congress passed, and the failure of the Bureau of Reclamation under the Secretary of the Interior, to carry out the intent and purpose of the recommendations of the fact finding commission and the President, and the law based thereon so far as existing projects are concerned.

May it be said here that the fact finding commission began their work and carried it out in a thorough, complete, and careful manner. Bear in mind always that the purpose of this entire investigation and the moving force which brought it about was the distress on existing projects and the need of relief being granted to those existing projects.

They made 66 specific recommendations. Those which are important, so far as the present inquiry is concerned, are as follows:

Recommendation 6. (B) In the event the area of the lands for which storage or diversion works or main canals have been constructed shall be decreased by excluded lands found not suitable for irrigation, then the construction charges imposed upon such excluded lands should not be charged against the remaining lands, but should be held in suspense and shall be ultimately charged off, unless by subsequent agreement all or some portion of such suspended charges may be imposed upon lands restored to irrigation or other lands for which it is found suitable to supply water.

Recommendation 8. In fixing the construction cost upon lands under projects, the Secretary of the Interior should take into consideration the classes of land, determined in accordance with Resolution No. 13, and may fix different construction costs upon different classes under the same project for the purpose of so equitably apportioning the total cost that the lands may bear the burden of cost more nearly in proportion to their productive value.

Recommendation 13. The Secretary of the Interior should undertake at once a comprehensive and detailed survey of the physical and economic features of the Federal reclamation projects to secure information upon which the project lands may be classified with respect to their power, under a proper agricultural program, of supporting the farmer and his family and of repaying the construction costs of the project. This survey should be in sufficient detail to enable the grouping of the farm units under each project into divisions or zones, each of approximately equal productive power. All lands which at the time of the survey do not possess a productive power sufficient to support the farmer's family and to repay construction costs should be grouped in one class and all lands which are just coming into agricultural production and not yet ready to begin repayments should be grouped in

another class, both of these classes of lands to be exempt from requirements of repayment of construction costs.

Such surveys of the project lands should be made periodically as the progress of knowledge may suggest, and for the purpose of determining any changes that may have accompanied the continued cultivation and irrigation of the lands.

Recommendation 19: Whenever two-thirds of the irrigable area of any project shall be covered by water-right contracts between the water users and the Government, said project should be required, as a condition precedent to receiving the benefits of the relief measures herein recommended, to take over, through a legally authorized water users' association or irrigation district, the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as the Secretary of the Interior may prescribe, and thereafter the Government, in its relations to said project, should deal with said water users' association or irrigation district; and when the water users assume control of a project, the operation and maintenance charges for the year then current should be covered into the construction account to be repaid as part of the construction repayments.

Recommendation 20: When the water users take over the management of a project, under contract with the United States, the total accumulated profits derived from the operation of project power plants, leasing of project grazing and farm lands, and the sale or use of town sites should be credited to the construction cost of the project; and that thereafter the income from project power plants and power possibilities, grazing and farm lands and town sites may be used as the water users direct for the benefit of the project. No dividend should be paid out of any such profits before all obligations to the Government shall have been fully paid.

Recommendation 23: Experience has demonstrated that the present method for repayment of project-construction costs, based upon time and percentages of cost instead of the ability of the several classes of lands to produce, is unscientific and difficult of fulfillment. Productive power should be the basis for the annual repayments of construction costs, and for this purpose productive power of the lands should be defined to be the average gross annual acre income from the irrigated lands of a project or division thereof for the preceding 10 years, or for all years of record if fewer than 10 years are available, and that the annual acre repayment charge should be 5 per cent of the productive power of the lands as hereinabove defined.

Recommendation 24: Whenever a new policy of repayment for construction costs is adopted, all unpaid and due charges for construction and for operation and maintenance, including interest and penalties, should be added to the construction accounts of the respective farm units. The new total thus established should be the construction cost to be repaid by the water user.

Recommendation 36: When it shall be definitely determined that any lands within any project are unsuitable for cultivation by irrigation and can not by cultivation pay project costs, the amount of the project costs held in suspension against such land should be definitely charged off as a loss to the reclamation fund.

As to the North Platte project in western Nebraska and eastern Wyoming the committee recommended, first, that the project be immediately turned over to the water users' association, in accordance with our resolution No. 19; second, that the terms of the contract shall be in accordance with the Resolution No. 13, as to classification of lands; No. 20, as to power; and No. 23, as to repayments (see page 17, Senate Document 92, Sixty-eighth Congress). All of the pages referred to are from Senate Document 92.

These resolutions were submitted by the fact finding commission to the Secretary of the Interior by letter dated April 10, 1924, from which I quote:

We believe it possible, without departing from the intent of the reclamation act and by using the results of the experience of the last 21 years, to correct conditions on the projects so that impending disaster may be replaced by lasting success. This will require prompt action, for the present situation has grown to such proportion throughout two decades that it can no longer be met by temporary relief measures. The causes of dissatisfaction and failure must be eliminated. * * *

Success can come to future Federal reclamation ventures only if projects are authorized upon a thoroughly scientific consideration of the probable power of the project to enable the farmer to repay construction costs and to win a living from the irrigated lands. Community and political demand to secure projects should be considered only after full knowledge of the feasibility of a proposed project has been secured. Once a project is located, the errors in the choice are felt to the last day. The relief that can now be afforded on existing projects is to classify the lands upon the basis of a scientific survey and place equitable charges upon each class in proportion to its power to produce.

It has been demonstrated that the Government can build irrigation structures of the highest quality; but how farmers on the Federal irrigation projects can repay the cost of these structures within reasonable time limits is yet to be demonstrated. * * *

The Reclamation Service has retained the full management of all but two of the projects. This has not been satisfactory. The project management and the Washington office have become targets for criticism. A dependence on Federal paternalism has settled down upon nearly all the projects, and a corresponding bureaucratic tendency has grown up within the Reclamation Service. * * *

The extension act provides that the operation and maintenance of the project may be turned over to the water users. This should be done at the earliest possible date. Whether the water users organize as an irrigation district or as an incorporated water-users' association is of little consequence. Any benefits that may be devised for the aid of the water users should be contingent upon their willingness to take over the responsibility of operating and managing all but a few of the less-settled projects. When this is done, a large proportion of Federal reclamation difficulties will disappear. * * *

Whether the total construction cost be great or small, it can only be paid out of the produce of the lands; hence, productivity is the only safe and fair basis for fixing annual payments. * * *

It will be necessary to put into effect a new plan of repayment of construction costs of the Federal irrigation projects—in our opinion, one based upon the inherent power of the soil, under intelligent cultivation, to produce crops. * * *

Meanwhile, many project farmers are still struggling to convert raw, unwilling land into fertile fields, and in this laborious and expensive labor they are worthy of special help.

Numerous minor causes of project distress will be found mentioned in the attached reports; but, if (1) the lands of the existing projects are scientifically studied, classified, and valued; (2) aid and direction given in agricultural development; (3) the project management assumed by the water users; and (4) a scientific and adequate plan of repayment adopted, all other elements of project discord and difficulty become of relatively slight importance. * * *

There is no feeling on the projects for repudiation of the debt of the Government. The Federal water users are true Americans. They recognize that the sum invested in the Federal irrigation enterprise is not large as congressional appropriations go, but they ask not alms but that the requirements made of them be proportioned to their power to win means from the soil. * * *

The activities of the Reclamation Service have been investigated frequently. The reports and findings of these investigations are buried in the files and have apparently been given but little consideration. The time has now come when carefully considered recommendations, based upon investigation, should be given prompt and effective administrative and legislative action if reclamation is to succeed.

The above is taken from letter set out in full in Senate Document No. 92, on the opening pages.

As the President's message indicates, the commission reported that of the Government's total investment $18,861,146 would never be recovered, and an additional probable loss of $8,830,000, the President recommended—

that Congress authorize the charging off of such sums shown to be impossible of collection.

Following the report and letter of the President, Congress passed what is known as the fact finding bill by the act of December 5, 1924.

With the passage of that act, Congress thought it had passed all needed reclamation legislation—with the exception of "charge off" legislation, which was reserved for further investigation and legislation. The settlers on the reclamation projects believed that Congress had now opened the way to make success out of failure, homes out of barren lands, and possible, too, for the farmer to repay every dollar that was equitably due the Government.

Thirteen months have passed since that law was signed by the President. The Secretary of the Interior has not carried out its mandates. The present Commissioner of Reclamation, a member of the fact finding commission, has not taken the "prompt and effective administrative action" which he as a member of the commission said on April 10, 1924, was necessary if the "causes of dissatisfaction and failure" were to "be eliminated."

Let us investigate the situation as it applies to the North Platte project in Nebraska and Wyoming. Other Members of Congress can speak if they choose as to the treatment which projects in their districts have received. Time will not permit of a discussion of all the issues now pending between the water users and the bureau.

The question of the application of the 5 per cent of the crop provision, the question of joint liability, and the question of delinquent charges stand out as the major problems.

These problems are covered by subsections F, G, and L of the act of December 5, 1924.

Section 7 of the act as proposed by the fact finding commission later became subsection F of the act as passed.

Congress added the words "or subdivision thereof" in the second sentence; the words "against each unit" in the fourth sentence. Also the words "or for the deferment of such construction charges for a period of three years from the approval of this section, or both." So that the law as it now stands reads:

SUBSEC. F. That hereafter all project construction charges shall be made payable in annual installments based on the productive power of the land as provided in this subsection. The installment of the construction charge per irrigable acre payable each year shall be 5 per cent of the average gross annual acre income for the 10 calendar years first preceding, or for all years of record if fewer than 10 years are available, of the area in cultivation in the division "or subdivision thereof" of the project in which the land is located, as found by the Secretary annually. The decison of the Secretary as to the amount of any such installment shall be conclusive. These annual payments shall continue until the total construction charge "against each unit" is paid. The Secretary is authorized upon request to amend any existing contract for a project water right, so that it will provide for payment of the construction charge thereunder in accordance with the provisions of this subsection "or for the deferment of such construction charges for a period of three years from the approval of this section, or both."

Subsection F is the section which changes the basic repayment law from 20 years to 5 per cent of the crop plan.

The reasons for this change are well set out by the fact finding commission, from whose report, Senate Document 92, I quote. Bear in mind, on all of this, that Doctor Mead, the present Commissioner of Reclamation, was a member of the fact finding commission, and that Secretary Work approved their report.

On pages 144–145 of Senate Document 92 is this statement:

It is worse than idle to assume that lands of equal fertility can bear widely different annual construction payments, or that all lands—good, indifferent, or poor—under a single project can bear the same annual construction payments, yet the existing plan of repayment was based upon that assumption. Neither time nor an arbitrarily fixed percentage of cost is a sound basis for determining annual payments. Whether the total construction cost be great or small, it can only be paid out of the produce of the lands; hence, productivity is the only safe and fair basis for fixing annual payments.

To illustrate, the average acre costs, exclusive of later drainage costs and special contracts, vary on the different projects from $29 to $96. On the projects costing $96 per acre the 6 per cent charge would be $5.76, whereas on the $29 land only $1.74. Assuming an equal productivity power of the two projects, one farmer would have to pay three times as much as the other. With a small crop and many obligations this may mean failure to the farmer. When, as frequently happens, the more expensive land has the lower crop-producing power, the weakness of this method of repayment becomes more apparent. Certainly the present method of repayment is not based upon a scientific consideration of the problem.

The farmer must or should repay the cost of project construction and meet his other farm expenses from the revenue derived from the farm. The question ever before the farmer is, Will the crop income of this year meet my obligations? The power of the land, under given economic and physical conditions, to produce a revenue is the only safe basis upon which to build a rational method of repayment of construction charges. It is this factor which appears to have been ignored in the mass of legislation pertaining to Federal reclamation except in the phrase "shall be apportioned equitably," as stated in section 4 of the original act of 1902.

On pages 147 and 148 I find this statement:

Crop yields on the same soil vary considerably from year to year. Market conditions show a similar variation. If annual repayment charges were based upon the acre income of each preceding year there would be a marked variation in the annual construction repayments. Such fluctuations should be so small that the farmer may be able to foretell, within narrow limits, the charge that he will have to meet from year to year. This can be accomplished by using the average acre income of the preceding 10 years as a basis for calculating the repayment charge for any year. With each successive year the first year of the last average would be dropped off and the new year added. In such manner each succeeding year, with its high or low acre income, would affect the basic average, but not sufficiently at any one time to cause a wide departure from preceding payments. Any one of the 10 years would affect the repayment charge only one-tenth, but its influence would be felt.

From pages 151 and 152 I quote:

The percentage to be applied to the average acre yield to determine the actual annual acre charge for repayment must of necessity be somewhat arbitrarily established; yet it must come within the ability of the farmer to live and to meet his various obligations. * * *

The water users in their Salt Lake City resolutions of January, 1924, suggested an annual construction charge not to exceed 5 per cent of the average acre income for 10 years as a charge that can be paid by the water users. This opinion agrees with our findings from our study of the situation on the Federal reclamation projects. * * *

A corollary of this plan of repayment is that the lands on the projects be classified carefully, according to their probable acre incomes, and that each class on each project be treated as a unit in fixing the annual repayment charge.

Repayment plan based on acre income: Experience has demonstrated that the present method for repayment of project construction costs, based upon time and percentages of cost instead of the ability of the several classes of lands to produce, is unscientific and difficult of fulfillment. Productive power should be the basis for the annual repayments of construction costs, and for this purpose productive power of the lands should be defined to be the average gross annual acre income from the irrigated lands of a project or division thereof for the preceding 10 years, or for all years of record if fewer than 10 years are available, and that the annual acre repayment charge should be 5 per cent of the productive power of the lands as hereinabove defined.

Disposition of unpaid dues under new plan of repayment. Whenever a new policy of repayment of construction costs is adopted all unpaid and due charges for construction and for operation and maintenance, including interest and penalties, should be added to the construction accounts of the respective farm units. The new total thus established should be the construction cost to be repaid by the water user.

So there can be no question but that the fact finding commission intended that the total of the charge for construction under the new law should be 5 per cent of his crop averaged over a period of 10 years. This is important to bear in mind, for as I will show later the present demand of the Bureau of Reclamation for joint liability on the North Platte project nullify these recommendations.

Mr. SINNOTT. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. SINNOTT. Does the gentleman know whether or not the department has consummated any contract under that 5 per cent provision?

Mr. SIMMONS. That I do not know. They have received the offer of a contract from the North Platte project. I understand that they have negotiated tentative contracts with some of the projects who already have joint liability.

Let us now consider the testimony before the House committee as to the intention of this section, with whom the option of its application rests, and what should be done by the Bureau of Reclamation under it.

For the purpose of interpreting the legislative will resort may be had to the history of the statute.

Doctor Mead appeared both as a member of the fact finding commission and as Commissioner of Reclamation. In his opening statement to the committee, he said (hereafter unless otherwise noted all references are by page to hearings H. R. 8836–9611, before the Committee on Irrigation and Reclamation, beginning Monday, May 5, 1924):

Perhaps the most radical feature of these recommendations is the change in the basis of the construction cost charges from a certain percentage yearly of the cost of the works to a certain percentage of the crop income (p. 16).

It was recognized by the fact finding commission and by Congress that Congress could not compel the water users to change their contracts. That is prohibited by the Constitution of the United States. But Congress did say that at the request of the water user the contract should be changed.

Doctor Mead, in his opening statement, said (p. 16):

Legislation of that kind could not affect an existing contract if the parties to that contract do not desire it to become operative. They could continue under the existing plan if they so desired, but it would give those who felt the need of it the opportunity to accept the new plan.

Bearing in mind that section 7 of the proposed law later became subsection "F," let us read the testimony on page 91:

Mr. HAYDEN. Now, see if I have a correct interpretation of the section. "Hereafter," that means on all new projects.

Mr. HILL. New projects?

Mr. LEAVITT. New or old.

Mr. HAYDEN. Let me finish. On all new projects you would adopt this plan and on all existing projects where there is a contract for a payment on a different basis the Secretary is authorized upon request to amend the contract?

Doctor MEAD. Yes.

Mr. HAYDEN. That would leave it within the discretion of the water users on any existing project to accept or reject the plan as it might appear to be in their interest?

Doctor MEAD. That is correct, and that is not understood. In some cases they think it would be mandatory upon an existing contract to accept this if it is passed, which is not the case. It rests with the people on the project.

Then, on page 17 I find this:

Mr. RAKER. So that we may get a correct view of it at the beginning, I take it that the fact finding commission have come to the determination and conclusion that the proposed legislation would not affect any of the existing projects of water users thereon legally?

To which Doctor Mead answered:

So far as existing projects are concerned which have a contract with the Government, it could not abrogate that contract; it would be left entirely to their option. But with the exception of three, or at the most four, all of them will elect to take the change.

It will be here noted that Doctor Mead repeatedly told the committee that the discretion rested with "those who felt the need of it"—with "the water users on any existing project."—"It rests with the people on the project."—"So far as existing projects are concerned it would be left entirely to their option."

Under date of December 4, 1925, Doctor Mead wrote the North Platte Valley Water Users Association "that this act vests in the Secretary the discretion to amend or to refuse to amend existing contracts."

Congress had passed the law which Doctor Mead has asked for and about which he had testified, the water users on the North Platte project had asked the Secretary to amend their contracts as the law provided, had submitted a new contract in compliance with the act of December 5, 1924. Their contract was rejected in toto by the Commissioner of Reclamation and in doing so he executed the amazing reversal of his own interpretation of this law as just pointed out.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. CRAMTON. Probably the gentleman had already quoted the language of the statute, but is it not a fact that the statute simply says that the Secretary of the Interior "shall have the authority" but does not say that the Secretary "shall do" so and so. Is not that the fact?

Mr. SIMMONS. No, sir.

Mr. CRAMTON. If it is the fact, then of course it is clearly a matter of discretion, and no statement of anyone before a committee of Congress could change the language of the statute.

Mr. SIMMONS. Let me digress and say this: That the only place that there is any word except the word "shall" used in the act is in one sentence. The statute says that the Secretary shall change the plan, and that he shall do other things, and then says that he is authorized to change the contract. That was put in because we knew, and Doctor Mead knew, and the Secretary knew, and the fact finding commission knew that Congress could not compel the changing of a contract against the will of the water user. It was so understood. The thing I am referring to is this, that the responsible administrative officers of the Reclamation Bureau placed the interpretation on the contract that that provision was mandatory on the Secretary except in those cases where the settlers refused to take the new contract.

The Government offers to change the contract. The water user accepts. The Secretary must act. The gentleman is a lawyer and knows that when the substantive provision of a public law is mandatory that the ministerial authority to carry it out is also mandatory, no matter what the language.

Mr. LEAVITT. And is it not also true that this entire bill was passed at the request of the commissioner and the Secretary?

Mr. SIMMONS. Yes, sir; and the President.

Mr. LEAVITT. And was it not accepted by the people on the projects in the West, so far as the gentleman knows, as having been offered by them in good faith?

Mr. SIMMONS. Yes, sir.

Mr. LEAVITT. With the idea that if it would be accepted by the people of the project the Secretary and the commissioner charged with that duty would carry out the provisions?

Mr. SIMMONS. Yes, sir. I have repeated here testimony, several times, of Doctor Mead, of the fact finding commission, showing that exactly that was the interpretation which they themselves put upon it. All we did was to take their word for it.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. COOPER of Wisconsin. Does this practice, or, I might say, conduct, of the department follow a precedent, or is it something new?

Mr. SIMMONS. It is a new proposition, based on the act of December 5, 1924.

Mr. SINNOTT. Mr. Chairman, will the gentleman yield?

Mr SIMMONS. Yes, sir.

Mr. SINNOTT. I would like to get the matter clear in my own mind. The gentleman has just stated that certain officials interpreted this act as mandatory. Is that correct?

Mr. SIMMONS. Yes, sir.

Mr. SINNOTT. Who are the officials, Doctor Mead?

Mr. SIMMONS. The one in particular is Doctor Mead.

Mr. SINNOTT. Under what circumstances? Is that in his testimony before the committee?

Mr. SIMMONS. Before the Committee on Irrigation and Reclamation Doctor Mead said that where the water user asked for a change of his contract, that option was with the water user as to whether or not he would receive or reject the benefits of the new law. Now he says the option is with the Secretary.

Mr. SINNOTT. Who were the other officials?

Mr. SIMMONS. Possibly I should have said just that one, with this exception, that I quote in the record the report of the fact finding commission on this same thing.

Mr. SINNOTT. Apart from them what reason do they now give for not putting the law into force?

Mr. SIMMONS. One of the reasons that they now give is that the people on the North Platte project refuse to guarantee the payment to the Government of some two or three million dollars charges of their neighbors, covering not only their neighbors' debt, but errors and mistakes of the Reclamation Service, and that I am coming to later.

Mr. CRAMTON. One question, for information, if the gentleman will yield.

Mr. SIMMONS. Yes, sir.

Mr. CRAMTON. I recall, as the gentleman was referring to the hearings before the House Committee on Irrigation——

Mr. SIMMONS. Yes, sir——

Mr. CRAMTON. That the legislation now on the statute books was not a bill reported from that committee, but was inserted in an appropriation bill in the Senate.

Mr. SIMMONS. That is true.

Mr. CRAMTON. Can the gentleman tell me briefly—I do not want to interrupt him at length—whether the language in the bill that was inserted in the Senate as to the matter that the gentleman is discussing is identical with the language as it stood in the proposed House bill?

Mr. SIMMONS. Yes, sir. The history of that legislation is this: The House held extensive hearings on the matter and made some amendments in the bill, as I point out, and reported the bill to the House. After that was done the Senate committee took the House bill and made one or two other changes in it and put it on in the Senate. But the Senate bill is essentially the House bill.

Mr. CRAMTON. But in the matter that the gentleman is now discussing there is no change?

Mr. SIMMONS. There is no change.

During the 13 months that this provision has been on the statute books the Secretary of the Interior has done nothing toward carrying out the 5 per cent provision of this law on the North Platte project. He rested content, he did nothing on the interpretation of the law that the option was with the settler. When the settler asked him to act, Doctor Mead reverses his testimony before the Congress and rejects the request of the water user.

If the option is with the Secretary, why does not he do something toward the consummation of a contract under this law as Congress ordered him to do?

It becomes necessary now to consider subsection G in connection with subsection F in order to review another amazing reversal of Doctor Mead's interpretation of this act.

Subsection G follows:

Mr. CRAMTON. Before leaving that phase of it——

Mr. SIMMONS. I am not leaving it; I am bringing some more of the bill into it——

Mr. CRAMTON. Perhaps this would be a good place to remark that the Commissioner of Reclamation testified before our committee a year ago concerning the Kittitas, Sun River, Spanish Springs, Owyhee, and Vale projects that under the 5 per cent arrangement, as I recall, it would be from 75 to 138 years before the money would be returned to this fund, and without interest. Has there been any calculation made by the Reclamation Service as to how long it would be, if the 5 per

cent plan were applied, before the balance due on the North Platte project would be returned?

Mr. SIMMONS. Yes, sir. There is a table concerning that in Senate Document No. 92.

Mr. CRAMTON. It has been estimated at from 50 to 75 years for the North Platte?

Mr. SIMMONS. Yes, sir; on the poorer lands. But the Government has a reasonable chance of getting back that way some $2,000,000 that the report now in the Interior Department says may be lost.

Mr. LEATHERWOOD. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. If the gentleman from Michigan [Mr. CRAMTON] will give me more time when my time expires I will yield.

Mr. LEATHERWOOD. Can the gentleman inform the committee as to whether or not the Committee on Irrigation and Reclamation in the House changed the form of the bill after the representatives of the Bureau of Reclamation appeared before the committee?

Mr. SIMMONS. Yes, sir.

Mr. LEATHERWOOD. The committee made radical changes after hearing the testimony of the witnesses, did they not?

Mr. SIMMONS. Yes, sir. I have pointed out some of those changes.

Mr. LEATHERWOOD. And is it not a fact that some portions of the proposed bill now in the deficiency appropriation act were only in general terms the same as the bill as it was considered by the Committee on Irrigation in the House?

Mr. SIMMONS. I would not say that.

Mr. LEATHERWOOD. Were they not in exactly the same language?

Mr. SIMMONS. With certain exceptions that I will come to later on, that is so. In fact, I am right there now.

Mr. LEATHERWOOD. I will say to the gentleman that most of the provisions of the House bill were cut out and were not referred to in the deficiency bill.

Mr. SIMMONS. Certain parts of it, but not those that I refer to here. Subsection G of the act provides conditions not mentioned in the act. It provides—

that whenever two-thirds of the irrigable area of any project, or division of a project, shall be covered by water-right contracts between the water users and the United States, said project shall be required, as a condition precedent to receiving the benefits of this section, to take over, through a legally organized water-users' association or irrigation district, the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as the Secretary may prescribe, and thereafter the United States, in its relation to said project, shall deal with a water-users' association or irrigation district, and when the water users assume control of a project the operation and maintenance charges for the year then current shall be covered into the construction account to be repaid as part of the construction repayments.

This was not in the bill as originally proposed by the fact finding commission. It is the substance of Resolution No. 19 hereinbefore set out. Congress put it in the bill. Let us see then what the fact finders said about it—Doctor Mead being one of them. Referring again to Senate Document 92 I find the following on page 59:

As a general principle, it would seem advisable to have the Federal irrigation projects operated by the water users just as soon as feasible. If this be done, the O. and M. charge will probably be reduced somewhat. The farmers, without a large overhead organization, will use more direct methods, and being themselves responsible for the work, will be content with a service which would not be acceptable from the Reclamation Service. The complaint is frequently made that the O. and M. is higher than it would be if the project were in the hands of the farmers. The farmer should be urged to take over the work, so that such complaints could be met by their own body. This matter is further discussed in the section on water-users' association.

Then on page 106 there is this further explanation of their intention and meaning:

A fundamental principle of success in the handling of reclamation projects is to place the management of the project in the hands of the water users, just as soon as the project is in suitable condition for such transfer. All the disadvantages of paternalism are either removed or modified when the water users control the irrigation project, and the dangers of bureaucracy are likewise greatly lessened. The placing of the responsibility for the upkeep and the general maintenance of the project encourages individual and united effort, which is invariably beneficial. Not a few of the ills which have beset the Federal irrigation projects may be traced to the feeling that they are essentially governmental ventures for which the farmer has little or no responsibility, and that in any event the Government will protect the farmer from serious consequences, even of his own neglect. The management of all projects should be turned over to water-users' associations just as soon as two-thirds of the units under the project, or division of a project, have been covered by water contracts with the Federal Government.

Then on page 107 there is this statement:

The water-users' association should be awakened, and should be required, where conditions are proper, under satisfactory contracts, to take over the management of the projects, and to carry the full responsibility for operation and maintenance.

Subsection G applies to the interstate division of the North Platte project.

Last October the water-users' association, desiring to fully meet and carry out the will of Congress, tendered to the Secretary of the Interior as "a condition precedent to receiving the benefits" of the act of December 5, 1924, a tentative contract offering to take over the "care, operation, and maintenance" of the project works and requested that the law be carried out.

This contract Doctor Mead rejected and has notified the people on the North Platte project that he will not put this law into operation nor give them its benefits unless and until the water users provide for the payment of all construction charges outstanding against all of the individual water users. Bear in mind this, that on the North Platte project there is no joint liability, each water user has his separate contract with the Government requiring him to pay only the construction charge against his farm. Doctor Mead now announces that "it has been stated by the department that one of the conditions to be insisted on in the execution of contracts under the new law" is that the water-user contract not only to pay his obligation to the Government, but in addition they ask that every landowner assure and guarantee the debt on his neighbor's farm. In April of 1924 they said the farmer could not pay his debt to the Government. In December, 1925, they ask that he pay not only his own debt, but guarantee his neighbor's before this law will be carried out.

Doctor Mead, in his letter of December 4, 1925, admits that "joint liability" is not mentioned in the act. He admits that Congress did not in the act require "joint liability" as a condition precedent "to receiving the benefits of the act."

The Department of the Interior is a creature of Congress; it has no authority other than what Congress gives it. It can exercise no power not delegated to it; it has no authority to nullify an act of Congress or refuse to obey the orders of Congress. And yet here they are taking a position, demanding conditions and obligations which are not mentioned in the act.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield there?

Mr. SIMMONS. Yes, sir.

Mr. CRAMTON. I do not wish to engage in a controversy, but it would seem fair to call attention to this fact, it seems to me: Doctor Mead, the Commissioner of Reclamation, appeared, as the gentleman states, before the House committee about May, 1924, I think, or about that time?

Mr. SIMMONS. Yes, sir.

Mr. CRAMTON. The legislation that the gentleman is discussing was inserted in the deficiency appropriation bill in the Senate in June, 1924. It did not become a law until December, 1924, due to the filibuster in the closing days of the June session. In November, 1924, Doctor Mead, before our committee, discussing these matters, in response to our inquiries, stated that the legislation enacted in that deficiency bill, standing by itself and without further legislation, was insufficient and undesirable. I am not quoting him verbatim, but that was the substance of his remarks, and that it was not feasible to proceed under it. I only offer that to indicate that Doctor Mead has not so greatly altered his position as might be deemed to be the case. The legislation standing in that bill without further legislation, standing as enacted, was not desirable or feasible, he stated in November, 1924.

Mr. SIMMONS. Yes, sir; but the gentleman knows that Doctor Mead was not objecting to carrying out the provisions of the present law. The provision that Doctor Mead was talking about was the refusal of Congress to authorize the loaning of money from the reclamation fund to the farmer on his chattels to build buildings and operate on. Doctor Mead asked for authority to supervise these farms and in general establish a paternal system. Congress refused. He complains about that and not about the passage of the present bill. Congress did not go that far. That is what he was talking about.

Mr. LEAVITT. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. LEAVITT. Judging from the gentleman's colloquy with the gentleman from Nebraska, I understand the gentleman to state that because Doctor Mead does not agree with what Congress has done that he, as an administrative officer, is not bound to carry out the law.

Mr. CRAMTON. I had not intended to interrupt the gentleman from Nebraska in any controversial way, but I am willing to answer the question of the gentleman from Montana, and my answer is this: I understand Doctor Mead's position to be that he will follow the law as he understands it, and as I understand the law there certainly is abundant ground for him to hold that the authority conferred is a discretionary authority in the Secretary of the Interior.

Mr. SIMMONS. The Secretary says the law provides for the formation of an irrigation association or district. True; but for what purpose? To assure joint liability, additional construction costs, obligations, and burdens that the farmer now does not have? Absolutely not. Then for what purpose? The act says to care, operate, and maintain the project works.

Then why require joint liability? Why, they say, it is "good policy." Who determines the "policy" of the reclamation? Is it Congress or is it some bureaucrat in the Interior Department? It is not the right of the Bureau of Reclamation to reject the reclamation policy as determined by Congress and *substitute* a policy of their own. They are charged with carrying out the reclamation policy that the Congress determines.

When the intention of a law is ascertained the administrative officers are bound to obey it, no matter what may be their opinion as to its wisdom or policy.

But let us see what the fact finding commission of which Doctor Mead was a member had to say about this provision, its purpose, and its policy.

Mr. LEAVITT. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. LEAVITT. I wanted that to come into the discussion before I raised a further question with the gentleman from Michigan.

Mr. SIMMONS. If the gentleman from Montana pleases, I would rather he debate with the gentleman from Michigan at some time later.

Mr. LEAVITT. Then let me ask the gentleman this question: Is it the gentleman's opinion or not that the Commissioner of Reclamation is putting his own interpretation on the law and determining for himself whether or not he shall carry out the act of Congress in this connection?

Mr. SIMMONS. The thing I am trying to get at, if the gentleman pleases, is this: That the Commissioner of Reclamation, a member of the fact finding commission, came before Congress with the resolutions of the fact finding commission and a proposed law. He said that law would do certain things and placed his interpretation on it, but now we find him completely reversing his own interpretation of his own act.

Mr. LEATHERWOOD. Will the gentleman yield to me just at that point?

Mr. SIMMONS. Yes, sir.

Mr. LEATHERWOOD. Is it not a fact that the Committee on Irrigation of the House filibustered for weeks at a time and that the bill which was before that committee never was reported out in anything like the form that was suggested by those who were in charge of administering reclamation matters?

Mr. SIMMONS. If the gentleman pleases, there was one member of the Committee on Irrigation who filibustered for quite some time and the part of the bill which was not reported out is the part I have just pointed out to the gentleman from Michigan [Mr. CRAMTON] in substance.

Mr. CRAMTON. But eventually it was reported out, was it not?

Mr. SIMMONS. That feature of it was not.

Mr. CRAMTON. Was it not eventually reported out?

Mr. SIMMONS. No; at least that is my memory of it.

Mr. LEATHERWOOD. Is it not a fact that the bill which was reported out was nothing like the original bill which the committee commenced to consider?

Mr. SIMMONS. No, sir; that is not a fact. The original bill which the committee began to consider is now printed in the committee hearings and in Senate Document No. 92, and, with certain exceptions, as I have pointed out, the present law, so far as it goes, is exactly what came to us from the Reclamation Service.

Mr. LEATHERWOOD. Is it not a fact that the gentleman who is now addressing the committee objected very seriously to many of the provisions of the so-called fact finders' bill which came to the committee?

Mr. SIMMONS. Yes, sir; and I had the privilege of writing one or two of the amendments which are now the law and which are in the law that the Reclamation Service refuses to carry out.

Mr. LEATHERWOOD. Just one other question.

Mr. SIMMONS. If the gentleman pleases, I have pretty nearly used my time.

Mr. LEATHERWOOD. I am quite sure the gentleman from Michigan will yield the gentleman from Nebraska more time. Does the gentleman mean to say that the present law contains any paragraph or any provision which he or any member of the Irrigation Committee in the House wrote or caused to be placed in the act?

Mr. SIMMONS. Yes, sir; and the gentleman gave valuable work on those amendments.

Mr. COOPER of Wisconsin. Will the gentleman yield for one question?

Mr. SIMMONS. Yes, sir.

Mr. COOPER of Wisconsin. Did I understand the gentleman to say a moment ago that the law as it now stands upon the statute books is not being carried out?

Mr. SIMMONS. That is the burden of my plea; yes.

Mr. COOPER of Wisconsin. That is not only the burden of it but it is a direct statement.

Mr. SIMMONS. Yes, sir.

On page 107 of Senate Document 92 is the following:

> An irrigation district differs essentially from a water-users' association in that all the lands belonging to the district are jointly liable for the project debts and that the district may make its collections in the same manner as taxes are collected. It is generally held that in a water-users' association, properly organized under the laws of the respective States, resides the power to do any or all acts that would lead to the carrying out of the terms of the contract of the association with the Federal Government. The farmer usually hesitates to agree to the forming of an irrigation district because of his fear that since the district assumes the district obligations he, personally, may become liable for payments overdue from his neighbors. In certain other cases old water rights furnish a complicated problem for district solution, and the water-users' association in such cases seems the simpler form of organization. There is not much real difference between the two organizations, as they would work out the problems of the Federal irrigation projects.

They said in their letter of transmittal, page 5, of the hearings:

> The extension act provides that the operation and maintenance of the project may be turned over to the water users. This should be done at the earliest possible date. Whether the water users organize as an irrigation district or as an incorporated water-users' association is of little consequence. Any benefits that may be devised for the aid of the water users should be contingent upon their willingness to take over the responsibility of operating and managing all but a few of the less settled projects. When this is done, a large proportion of Federal reclamation difficulties will disappear.

There then is the proof that the fact finding commission considered the question of "joint liability" and the farmer's fear that since the district assumes the district obligations, he, personally, may become liable for payments overdue from his neighbors. They considered the fact that "all lands belonging to a district are jointly liable for the project debts"; they said that "joint liability" was the essential difference between a water-users' association and a district. Then the fact finders held that joint liability was not material, for they say that "there is not much real difference between the two organizations as they would work out the problem of the Federal irrigation projects. The fact finding commission did not consider that "joint liability" should be a condition precedent to the benefits of this act being granted to the water users. They dismissed it as immaterial and "of little consequence" to the working out of the problem of Federal reclamation. They did not include it in their recommendation No. 19, and the present law is almost word for word that recommendation.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. SIMMONS. Will not the gentleman from Michigan yield me 15 minutes more?

Mr. CRAMTON. Would it be agreeable to the gentleman to go on to-morrow?

Mr. SIMMONS. I can finish in 15 minutes, and I would like to finish while the gentlemen who have listened thus far are here.

Mr. CRAMTON. I will be glad to have the gentleman go on now or give the gentleman time to-morrow.

Mr. SIMMONS. I would prefer to finish now.

Mr. CRAMTON. Could the gentleman finish in 10 minutes?

Mr. SIMMONS. I will try to finish in that time, and believe I shall do so if I am not interrupted again.

Mr. CRAMTON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. SIMMONS. Then what basis is there for the Department of the Interior saying that "joint liability" shall be insisted upon or that Congress intended it when this act was passed? Absolutely none.

If more is needed, let us see what Congress itself did with this question. The bill was referred to the Committee on Irrigation and Reclamation. Hearings were had, testimony taken, and printed for the use of the Congress. Doctor Mead, the responsible head of the Bureau of Reclamation, testified. Why? In order that Congress might know what they proposed to do with the law, how it would be interpreted, how enforced, and what its effect would be.

Let us turn again then to the testimony before the Committee on Reclamation and Irrigation. On pages 91 and 92 is the following:

Mr. SIMMONS. Right there. Your idea is that section 7, so far as existing objects is concerned, shall be optional with each unit holder?

Mr. MEAD. I think it will be optional with the unit.

Mr. SIMMONS. In our North Platte project the unit holders have individual contracts, and you would extend this relief to the unit holder, so that if one wanted to come under the provisions of the bill he could come under, and if the one next to him did not want to come under the provisions of the bill he could stay out?

Mr. MEAD. If there was a situation of that kind, yes. I do not believe a situation of that kind would arise.

Then, on pages 90 and 91 is this testimony:

Mr. MEAD. There would be conditions where the reclamation fund must lose. You can not prevent it. * * *

Mr. RAKER. The Government would lose it?

Mr. MEAD. Yes. * * *

Mr. RAKER. Under the present arrangement the Government has its contract and can collect the money from him if he has it in any shape or form?

Mr. MEAD. No; it does not collect from worthless land.

Mr. RAKER. They can if they want to.

Mr. CAMPBELL. Only a lien.

Mr. Campbell, who testified here, was a member of the fact finding commission and at present engaged in special work for the Bureau of Reclamation.

Before referring further to Doctor Mead's testimony, let me explain just what this means to the water users on the North Platte project. The original estimated cost of the interstate division was $3,500,000, of which $500,000, was to have paid the operation and maintenance for 10 years. The original estimated and contract cost per acre was $35, including 10 years operation and maintenance. The actual construction cost on June 30, 1923, was $13,672,160.32. The present contract cost charged to the land owner is $71 an acre, which does not include operation and maintenance. But the actual cost per acre based on acreage the bureau was prepared to supply with water in 1922 was $84.30 and the actual cost per acre June 30, 1923, based on acreage actually irrigated was $122.90 an acre. These figures are taken from Table No. 1, found on page 208, Senate Document 92, as reported by the fact finding commission.

On page 142 of the report is the following:

It has been found not just to require, and in some instances not possible to obtain, the total repayment of costs of investigation, construction, operation, and maintenance charged against the projects. Hence the reclamation fund must suffer depletion to the extent that such costs should not or can not be repaid either by the water users or by the United States. The committee has found that such total costs on some projects are in excess of what water users can or should be required to repay. The reclamation fund must suffer depletion to the extent that water users can not repay and should suffer depletion to the extent water users should not repay such costs. * * *

Under the head "probable loss" items are listed which are estimated, the amounts depending upon the acreages now not capable of profitable cultivation, but which may hereafter be restored to or found capable of profitable cultivation. Under this head are also listed items which may be restored to the fund by congressional action.

This report shows a probable loss under the above definite of $600,000 on the North Platte project. That $600,000 is included in the $8,830,000 to which President Coolidge referred when he asked that authority be granted to charge off those sums impossible of collection.

Now, then, with these figures in mind, let us listen to Doctor Mead testify again before the committee of Congress.

On page 121 of the hearings before the House committee I find this:

Mr. RAKER. * * * As I gathered from your statement, the parties under the projects who now have contracts advantageous to them could not be compelled to change their contracts by subsequent legislation; those who have burdensome contracts, so that the contracts they would have under the proposed legislation could be more advantageous than those they now have, would accept; and the charging off of those amounts due from those last-named parties would be in substance and effect a depletion of the fund to be returned to the United States, and to that extent therefore the Federal Government would lose that amount of money. Is that a fair statement, Doctor Mead?

Mr. MEAD. Yes, sir; that is exactly the situation.

Mr. RAKER. Yes? Now that being the case * * * in your judgment, how much of the total reclamation fund that has been expended up to date will have to be charged off?

Doctor Mead then refers to the report of the fact finding commission, showing a probable loss on the North Platte project of $600,000.

On page 80 of the hearings I find this:

Mr. SIMMONS. Now, what are you going to do with a piece of land where you have put the construction cost at $45, or $40, or $50, an acre? Does that mean that after that land has changed hands once or twice and the owner of that land buys it with the understanding that his construction charge is $50 an acre, the Secretary of the Interior can automatically come in and "hike" his charge to the extent of $40 an acre and take $20 an acre off of some other land?

Mr. MEAD. I have already expressed my belief that it does not mean that.

On pages 86 and 87 there is this testimony:

Mr. MEAD. Under the original plan of disposal of this land, which fixes a uniform charge rather than an equitable charge, there are certain sections of the country where the people are unable to pay, there is nobody on it to pay. We have got to get conditions people can meet before we can get settlers. * * *

Mr. SIMMONS. All right. Supposing on the North Platte project we have some abandoned lands, and suppose the Secretary goes in and reclassifies those lands, and says here are class 4 lands, and we will cut them down one-half and add that to class 1. Your answer is you can not do that under the existing contracts except on consent of the landowner; but the landowner needs the relief that the bill gives him, and if you pass it will he not be compelled to consent in order to get the benefit of the extended-payment provisions of this act?

Mr. MEAD. If there is any ambiguity about that, it ought to be changed. I want to say it is not contemplated. That is not the reason for section 11.

Mr. SIMMONS. But you would not favor on existing contracts requiring the present owners to increase their construction charges in order to get the benefits that come from this act?

Mr. MEAD. No.

Get that. Doctor Mead told the Congress that it was "not contemplated," and that he would "not favor on existing contracts requiring the present owners to increase their construction charges in order to get the benefits that come from this act." The Congress believed him, passed the legislation that he asked it to pass, and placed the administration of it in the hands of the department where he serves. The water users of the North Platte project believed him and have asked him to carry out the provisions of the law. Contrary to his recommendations as a member of the fact finding commission, contrary to his testimony before the committee of Congress, he has required that they assume additional construction charges in order to get the benefits of this law. Doctor Mead asks them to assume, in addition to their present obligations, the payment of $600,000, which he reported a "probable loss," and according to his own figures he requires them to increase their per acre burden from $71 to $122.90 an acre.

These figures just quoted are taken from the hearings had prior to the passage of the act of December 5, 1924.

Subsection K authorized the Secretary to survey the projects "to ascertain all pertinent facts" as to lack of fertility, inadequate water supply, or other physical cause because of which settlers are unable to pay their construction charges and to report construction charges levied by "error and mistake."

That survey was made and reported to the Bureau of Reclamation last September. The Commissioner of Reclamation refused to allow me to know the facts it disclosed until January 4, 1926, when I was permitted to inspect it. That report shows a probable loss on the interstate division North Platte project of $1,765,780, and an absolute loss of $36,250. It shows a total probable loss on the entire project of $2,599,987. They also recommend a definite charge off on the interstate division of

$175,000 for errors and mistakes and a total charge off on the entire project of $237,877.

Mr. SINNOTT. If the gentleman will yield, will the gentleman give us the total sum out of which that loss occurred?

Mr. SIMMONS. I have not the total for the entire reclamation service.

Mr. SINNOTT. No; of that project.

Mr. SIMMONS. The total on the project?

Mr. SINNOTT. Yes.

Mr. SIMMONS. $2,599,000.

Mr. SINNOTT. Is that the loss?

Mr. SIMMONS. That is the probable loss.

Mr. SINNOTT. And what is the total cost of the project?

Mr. SIMMONS. About $14,000,000.

Doctor Mead told the Congress he would not require as a condition to receiving the benefits of the act that the water user assume additional construction costs. Now, he demands they assume in addition to their present obligation, "joint liability" for the above amounts. The water user on the North Platte project has offered to repay his present individual obligation under the terms of the act of December 5, 1924. That offer was rejected by the Commissioner of Reclamation. The water user objects to being required to pay his neighbor's debt; he refuses to further pay for the "errors and mistakes" of the Reclamation Bureau.

Men of the Congress, either a man in a responsible administrative position ought to administer a law, as he told the Congress he would, or he should make way for some one who will administer those recommendations, recommendations that the Congress and the people have relied upon.

Now, then, subsection F provides that when the 5 per cent has been determined by the Secretary that the annual payment "shall continue until the total charge against each unit is paid." The words "against each unit" were not in the act as proposed. They were put in by Congress. For what purpose? For the specific purpose of making it certain that each unit should bear the burden of its own charges just as it does now. Those words mean something if interpreted to mean "individual liability" shall continue. They mean nothing if joint liability is to be enforced, because when joint liability is had the charge against each unit is merged in the district obligation and there no longer is a "charge against each unit." Words are put in a statute to mean something, and it is the duty of an administrative officer to construe them as a part of the act, and not to ignore a plain provision of the law.

Section 15 of the proposed law was:

That in any adjustment of water charges as provided in this act all due and unpaid charges, both on account of construction and on account of operation and maintenance, including interest and penalties, may, in the discretion of the Secretary, be added in each case to the total obligation of the water user, and the new total thus established shall then be the construction charge against the land in question.

The Congress changed this as follows:

SUBSEC. L. That in any adjustment of water charges as provided in this section all due and unpaid charges to the United States, both on account of construction and on account of operation and maintenance, including interest and penalties, shall be added in each case to the total obligation of the water user, and the new total thus established shall then be the construction charge against the land in question.

Further reference will be made to this section later. I call to your attention now the provision that the construction, operation and maintenance, interest and penalties "shall" be added in each case to the total obligation of the water user, and the new total thus established shall then be the construction charge against the land in question.

The demand for joint liability made by the Commissioner of Reclamation ignores the fact that subsection "L" requires him "in each case" to determine the "obligation of the water user," and to determine the construction charge against the land in question.

This subsection in every instance uses the singular and not the plural and plainly contemplates individual liability. It can not be applied in its wording to joint liability under a district contract.

This is a part of the fact finders proposed bill, Resolution 24, which was approved by Doctor Mead, and Secretary Work is the basis for it. The fact finders said that these charges should be added—

to the construction accounts of the respective farm units. The new total thus established should be the construction cost to be repaid by the water user. (Senate Document No. 92, p. 7.)

That is so clear that anyone can understand that that means individual units, individual charges, individual ability. Doctor Mead so understood it as a member of the fact finding commission; he so understood it when he testified to the committee of Congress. Why does not he so understand it now? Why does not he interpret the law now and administer it now as he told Congress he would?

In discussion of December 15, on subsection "L," Mr. HILL of Washington said:

Suppose there are 25 per cent, we will say, of the water users within the district who are unable to pay and are delinquent in their assessments. Now, this authorizes, as I understand, the charging of those delinquencies to construction cost and spreading it out, or, rather, making it a head under the head of construction cost to the district as a unit?

Mr. MEAD. No; for the land in question. (P. 208 of hearings.)

Doctor Mead told the committee and the Congress that these moneys would be lost to the Government. He said, page 91, that the option under the law was with the unit holder, and said he would extend the relief to the unit holder. He said, in Resolution 6, page 3, Senate Document No. 92, that—

construction charges imposed upon such excluded lands not suitable for irrigation should not be charged against the remaining lands.

He said as a "fact finder" in Resolution 36, page 10, that charges against lands "unsuitable for reclamation by irrigation should be charged off as a loss to the reclamation fund." Now he says that charges imposed upon lands not suitable for irrigation must be guaranteed and paid by the land that is suitable for irrigation. It is proposed to saddle the farmer with new additional burdens.

Subsection "F" provides that "The Secretary is authorized upon request to amend any existing contracts for a project water right" so as to provide for the payment of the construction charge on the basis of 5 per cent of the crop. What does that mean? The authority is plain that the Secretary's authority only is to "amend." Not to make a new contract—but to "amend." Amend what? "Existing contracts."

What are the existing contracts on the North Platte project? They are about 1,400 contracts between the individual water user and his Government. How are they to be amended? By changing the 20-year provision to 5 per cent of the crop. Does the Secretary propose to do that? He does not. What does he say he will do under this authority? He says he will cancel and void "existing contracts," but refuses to amend them. Does he propose to continue the contracts when amended which the water user now has? He does not. Does he propose to enter into a new contract with the water user and maintain a contractual relationship such as the Government now has with the water user? He does not.

What does the Secretary propose to do under this section? He demands the formation of a corporation and the execution of a new contract, not with the water user who now holds a contract, but with a corporation that is not yet organized and has no entity.

Thus it is proposed to administer the act of December 5, 1924, along lines that are contrary to the report of the fact finding commission and an absolute reversal of the policy of the Interior Department to the detriment of the water user and to the loss of the reclamation fund—for so long as this policy is pursued reclamation will continue to show a financial loss to the reclamation fund.

In the President's message he said:

Payments should be assessed by the Government in accordance with the crop-producing quality of the soil.

The fact finders said lands shall be classified as to "producing power" and that—

the annual acre repayment charge shall be 5 per cent of the productive power of the lands.

And that the—

new total thus established should be the construction cost to be repaid by the water user.

The Congress approved that plan. We held that 5 per cent of the crop was the total that the farmer should pay. Individual liability such as the people on the North Platte project now have and offer to continue and pay insures the collection of that 5 per cent from every unit of land, and every water user will be paying to the Government every cent that the fact finders and Congress said he should and could pay.

What does joint liability mean? It means that in addition to the 5 per cent which has been fixed as the total, every landowner must pay an additional undetermined amount for his neighbor who fails. It may be 1 per cent of his crop, it may be 10 per cent of his crop, depending upon the number of failures in a project. Whatever it is he will be paying in excess

of the amount that he can rightly pay, and the Bureau of Reclamation will again be creating a situation such as now confronts the reclamation farmer.

Subsection F says that the construction charge shall be based on the "productive power of the land." The Bureau of Reclamation adds a proviso that in addition thereto the farmer shall pay that which his neighbor fails to pay, and shall pay for the "errors and mistakes" of the Reclamation Service.

Reclamation is not a failure. The Bureau of Reclamation has failed in its administration of the reclamation law. It will continue to fail just so long as the short-sighted policies now being followed prevail. It will continue to fail just so long as the policies and laws of Congress are ignored by the administering officials.

Subsection L was changed by Congress in one regard only. As submitted to the Congress by the Secretary of the Interior it provided that certain delinquencies "may in the discretion of the Secretary," be added "to the construction cost to secure the new total to be repaid under the law." Congress struck out the words "may in the discretion of the Secretary" and inserted "shall," making it mandatory on the Secretary to give every settler a fresh start in paying his obligations to the Government.

The Bureau of Reclamation have stated that they do not propose to follow that law, that they will extend those changes when in their discretion they think it advisable. In other words, they asked Congress for discretion to do or not to do certain things. Congress refused and said "You shall do it."

They are ignoring the mandate of Congress and telling the water users we are going to exercise our discretion anyway.

This thing would be serious enough, gentlemen, if the only issue were the reclamation law and its administration. But back of that is the growing spirit of defiance to law and mandates of Congress shown by the administrative branches of the Government.

The people on the North Platte project may be compelled to appeal to the courts of this Nation in order to have the act of December 5, 1924, administered by the Bureau of Reclamation as the Bureau of Reclamation said it would be administered and as Congress intended it should be administered. The Congress alone can protect and must protect its constitutional power and determine whether or not its will will be obeyed or ignored.

During all this delay homes are being abandoned, hopes blighted, foreclosures being brought, lifetime savings lost, communities discouraged and disheartened, the reclamation fund being further imperiled, while and because the Bureau of Reclamation delays and refuses to administer the law.

Now, I anticipate some one will say that the water users are trying to repudiate and are unwilling to pay. Let me repeat again what the fact finders say in their letter to the Secretary:

> There is no feeling on the projects for repudiation of the debt of the Government. The Federal water users are true Americans. They recognize that the sum invested in the Federal irrigation enterprise is not large as congressional appropriations go, but they ask not alms but that the requirements made of them be proportioned to their power to win means from the soil.

That should be sufficient answer.

As to the North Platte project, let me quote the words of Mr. Campbell, a member of the fact finding commission, which shows that the water users there have paid beyond their ability:

> Mr. CAMPBELL. Yes, sir. The point is this: On the North Platte they are now on their 6 per cent payment charge. They have raised that after time, struggle, and effort. But as a matter of fact, it represents over 11 per cent of their total gross production over the term of the last 10 years. They have been paying more than they can afford to pay. That is the answer to that.
>
> The CHAIRMAN. You mean on the North Platte?
>
> Mr. CAMPBELL. I mean on the North Platte. Their record of production does not show their ability to pay what they have paid.

The fact finders in their letter transmitting their report to Secretary Work said (page 6):

> If (1) the lands of the existing projects are scientifically studied, classified, and valued, (2) aid and direction given in agricultural development, (3) the project management assumed by the water users, and (4) a scientific and adequate plan of repayment adopted, all other elements of project discord and difficulty become of relatively slight importance.

No. 1 has been complied with, and the report thereon has been in the Bureau of Reclamation since last September. No. 2 has been in force for years. An experimental farm has been maintained, adequately and efficiently officered and managed. In addition, competent, trained, experienced county agents are maintained for the farmers' aid. The water users have offered to assume the management of the project and have offered to amend their contracts to comply with the repayment provisions of the law recommended by the fact finders.

The settler has complied with the law; he has met every requirement of Congress; stands ready to begin repayment to the Government as the law provides. The Bureau of Reclamation refuses to act. The responsibility for further failure and hardship and suffering is theirs.

I have used the word "bureaucrat" to-day. I do not like that word. It is offensive to the average American. But there is authority for it. The fact finders in their letter to the Secretary said that a "bureaucratic tendency has grown up within the Reclamation Service" (p. 5 of hearings).

Why has the present Commissioner of Reclamation completely changed his attitude on this whole matter, bringing about a situation where the settlers are losing confidence in the good intentions of the bureau? I am constrained to believe that he is a victim of his environment; that he himself has fallen a sacrifice to the "bureaucratic influences in the Reclamation Service" which he deplored in April, 1924. Doctor Work is upholding the hands of his commissioner.

I am reminded of Gulliver, who visited the island of Lilliput, inhabited by pigmies. He was weary and fell asleep. When he awoke he had been securely bound with ligatures across his body and his hair tied down. He tore aside a few of the fastenings, and the pigmies shot spears at him which "pricked like needles." So he quieted down and after awhile the pigmies brought him food to eat and wine to drink. Gulliver confesses he was tempted to seize 40 or 50 of the pigmies and dash them to the ground, but he remembered the "people" who had treated him "with so much expense and magnificence." Satisfied by the food, deadened by the wine that the pigmies had given him, he stretched out content and was soon asleep, forgetful of his power, his connections, and his obligations. The pigmies dominated and controlled the great, strong man who had come among them, and thereafter he did their bidding. [Applause.]

Mr. CRAMTON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BURTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 6707) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1927, and for other purposes, had come to no resolution thereon.

SMITHSONIAN INSTITUTION

Mr. LUCE. Mr. Speaker, I call up from the Speaker's table Senate Concurrent Resolution No. 2, relating to the appointment of a member of the Board of Regents of the Smithsonian Institution. I may explain that the sole purpose is to correct a clerical error by which the Senate draft credited the appointee, Mr. Morrow, as being a resident of New York, whereas he is a resident of New Jersey. The Senate has seen fit to correct the error by sending down the bill with the change made.

The SPEAKER. The gentleman from Massachusetts calls up a Senate concurrent resolution, which the Clerk will report.

The Clerk read as follows:

Senate Concurrent Resolution 2

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of S. J. Res. 20, the Secretary of the Senate is authorized and directed to strike out the words "New York," in line 6, and to insert therefor the words "New Jersey."

Mr. CARTER of Oklahoma. Mr. Speaker, reserving the right to object, is there objection upon the part of any member of the gentleman's committee to this being done?

Mr. LUCE. Not the slightest. It is simply a clerical error which is to be corrected.

The resolution was agreed to.

ADJOURNMENT

Mr. CRAMTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 22 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 6, 1926, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

241. Under clause 2 of Rule XXIV, a letter from the Secretary of the Interior, transmitting statement showing in detail what officers or employees (other than special agents, inspectors, or employees who, in the discharge of their regular duties,

are required to constantly travel) have traveled on official business from Washington to points outside the District of Columbia during the fiscal year ended June 30, 1925, was taken from the Speaker's table and referred to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CRAMTON: Committee on Appropriations. H. R. 6707. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1927, and for other purposes; without amendment (Rept. No. 37). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. R. 185. A bill authorizing the Secretary of the Interior to acquire land and erect a monument on the site of the battle with the Sioux Indians in which the commands of Major Reno and Major Benteen were engaged; without amendment (Rept. No. 38). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. R. 3990. A bill for the erection of a monument upon the Revolutionary battle field of White Plains, State of New York; with amendments (Rept. No. 39). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. J. Res. 64. A joint resolution to secure a replica of the Houdon bust of Washington for lodgment in the Pan American Building; without amendment (Rept. No. 40). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. J. Res. 83. A joint resolution to authorize the completion of the memorial to the unknown soldier; without amendment (Rept. No. 41). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Kentucky: Committee on Military Affairs. S. 1478. An act to authorize the transfer of the title to and jurisdiction over the right of way of the new Dixie Highway to the State of Kentucky; with amendment (Rept. No. 44). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. J. Res. 85. A joint resolution to amend an act entitled "An act to create a Library of Congress trust fund board, and for other purposes," approved March 3, 1925; without amendment (Rept. No. 42). Referred to the House Calendar.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 6416) granting a pension to Nancy M. Chapman, and the same was referred to the Committee on Invalid Pensions.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 6202. A bill for the relief of Thomas Vincent Corey; without amendment (Rept. No. 43). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CRAMTON: A bill (H. R. 6707) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1927, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. MORROW: A bill (H. R. 6708) authorizing and directing the Secretary of the Interior to issue a patent to Lucile Scarborough; to the Committee on the Public Lands.

Also, a bill (H. R. 6709) granting to certain States public lands for the construction, repair, and maintenance of public roads; to the Committee on the Public Lands.

By Mr. EDWARDS: A bill (H. R. 6710) granting the consent of Congress to the State of Georgia and the counties of Long and Wayne, in said State, to construct a bridge across the Altamaha River in the State of Georgia at a point near Ludowici, Ga.; to the Committee on Interstate and Foreign Commerce.

By Mr. RUTHERFORD: A bill (H. R. 6711) to construct a public building for a post office at the city of Monticello, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6712) to construct a public building for a post office at the city of Jackson, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6713) to construct a public building for a post office at the city of Thomaston, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. ANTHONY: A bill (H. R. 6714) to correct the status of certain commissioned officers of the Navy appointed thereto pursuant to the provisions of the act of Congress approved June 4, 1920; to the Committee on Naval Affairs.

By Mr. UNDERHILL: A bill (H. R. 6715) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia"; to the Committee on the District of Columbia.

Also, a bill (H. R. 6716) to provide for the settlement of claims against the United States on account of property damage, personal injury, or death; to the Committee on Claims.

By Mr. REID of Illinois: A bill (H. R. 6717) granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6718) providing for the purchase of additional ground for enlargement of present site, or for the purchase of a new site and enlargement of present building, or erection of a new building at the city of Aurora, Ill., for the use and accommodation of the post office, Federal court, and other Government offices in said city; to the Committee on Public Buildings and Grounds.

By Mr. KING: A bill (H. R. 6719) to provide credits to secure the successful production and profitable and orderly marketing of agricultural products and livestock in the United States; to the Committee on Banking and Currency.

By Mr. EATON: A bill (H. R. 6720) for the construction of an addition to the Trenton, N. J., post office; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6721) for the purchase of a site for an addition to the Trenton, N. J., post office and courthouse; to the Committee on Public Buildings and Grounds.

By Mr. LITTLE: A bill (H. R. 6722) for the purchase of a site for and the erection of a post-office building at Osawatomie, Kans.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6723) for the purchase of a site for and the erection of a post-office building at Garnett, Kans.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6724) for the purchase of a site for and the erection of a post-office building at Humboldt, Kans.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6725) for the purchase of a site for and the erection of a post-office building at Olathe, Kans.; to the Committee on Public Buildings and Grounds.

By Mr. WINTER: A bill (H. R. 6726) authorizing the Shoshone Tribe of Indians of the Wind River Reservation in Wyoming to submit claims to the Court of Claims; to the Committee on Indian Affairs.

By Mr. LEAVITT: A bill (H. R. 6727) to authorize the Secretary of the Interior to issue certificates of competency removing the restrictions against alienation on the inherited land of the Kansas or Kaw Indians in Oklahoma; to the Committee on Indian Affairs.

By Mr. GLYNN: A bill (H. R. 6728) to regulate in the District of Columbia the traffic in, sale, and use of milk bottles, cans, crates, and other containers of milk and cream to prevent fraud and deception, and for other purposes; to the Committee on the District of Columbia.

By Mr. SWING: A bill (H. R. 6729) to amend section 18 of the irrigation act of March 3, 1891, as amended by the act of March 4, 1917; to the Committee on the Public Lands.

By Mr. OLDFIELD: A bill (H. R. 6730) to detach Fulton County from the Jonesboro division of the eastern judicial district of the State of Arkansas, and attach the same to the Batesville division of the eastern judicial district of said State; to the committee on the Judiciary.

By Mr. BACHMANN: A bill (H. R. 6731) for the erection of a Federal building at New Martinsville, W. Va.; to the Committee on Public Buildings and Grounds.

By Mr. LUCE: A bill (H. R. 6732) to authorize the Secretary of the Treasury to sell the site acquired for the erection of a Federal building in the city of Waltham, Mass.; to the Committee on Public Buildings and Grounds.

By Mr. HUDSPETH: A bill (H. R. 6733) granting the consent of Congress to the construction of a bridge across the Rio Grande; to the Committee on Interstate and Foreign Commerce.

By Mr. FORT: A bill (H. R. 6734) to increase the limit of cost of the United States post office at East Orange, N. J.; to the Committee on Public Buildings and Grounds.

By Mr. HICKEY: A bill (H. R. 6735) to amend the World War veterans' act; to the Committee on World War Veterans' Legislation.

By Mr. RATHBONE: A bill (H. R. 6736) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War; to the Committee on Military Affairs.

By Mr. McLAUGHLIN of Nebraska: A bill (H. R. 6737) to adjust the pay and allowances of certain officers of the United States Navy; to the Committee on Naval Affairs.

By Mr. TILLMAN: A bill (H. R. 6738) to recognize commissioned service in the Philippine constabulary in determining rights of officers of the Regular Army; to the Committee on Military Affairs.

By Mr. STRONG of Kansas: A bill (H. R. 6739) to prohibit the forging, counterfeiting, or altering of adjusted service certificates issued under the World War adjusted compensation act; to the Committee on Ways and Means.

By Mr. STROTHER: A bill (H. R. 6740) to authorize the Norfolk & Western Railway Co. to construct a bridge across the Tug Fork of Big Sandy River at or near a point about 2½ miles east of Williamson, Mingo County, W. Va., and near the mouth of Lick Branch; to the Committee on Interstate and Foreign Commerce.

By Mr. BOX: A bill (H. R. 6741) to amend the immigration act of 1924 by making the quota provisions thereof applicable to Mexico, Cuba, Canada, and the countries of continental America and adjacent islands; to the Committee on Immigration and Naturalization.

By Mr. JARRETT: A bill (H. R. 6742) to amend an act entitled "An act to regulate commerce," approved February 4, 1887, and all acts amendatory thereof, including the safety appliance acts and the act providing for the valuation of the several classes of property of carriers subject to the Interstate Commerce Commission, approved March 1, 1913; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: A bill (H. R. 6743) authorizing leaves of absence to employees of the Forest Service of the Department of Agriculture; to the Committee on Agriculture.

By Mr. COLLIER: A bill (H. R. 6744) to provide for the erection of an addition to and the remodeling of the Federal building in the city of Jackson, county of Hinds and State of Mississippi, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. LARSEN: A bill (H. R. 6745) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Vidalia, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6746) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Wrightsville, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6747) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Swainsboro, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6748) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Hawkinsville, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6749) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Cochran, Ga.; to the Committee of Public Buildings and Grounds.

Also, a bill (H. R. 6750) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Eastman, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6751) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Fort Valley, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6752) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at McRae, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. DYER: A bill (H. R. 6753) to authorize the construction of a building on the consular site at Shanghai, China.; to the Committee on Foreign Affairs.

Also, a bill (H. R. 6754) to amend the practice and procedure in Federal courts, and for other purposes; to the Committee on the Judiciary.

By Mr. JOHNSON of Washington: A bill (H. R. 6755) to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization; to the Committee on Immigration and Naturalization.

By Mr. BLAND: A bill (H. R. 6756) to establish a national military park at and near Fredericksburg, Va., and to make and preserve historical points connected with the battles of Fredericksburg, Spottsylvania Court House, Wilderness, and Chancellorsville, including Salem Church, Va.; to the Committee on Military Affairs.

By Mr. LITTLE: A bill (H. R. 6757) to provide for an inquiry into the relief of officers from their commands or discharge from their commissions during the World War; to the Committee on Military Affairs.

Also, a bill (H. R. 6758) to prohibit speculation in grain, food products, and other agricultural products, and providing a penalty for the violation thereof; to the Committee on Agriculture.

By Mr. HOLADAY: A bill (H. R. 6759) to amend section 8 of an act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, amended August 23, 1912, March 3, 1913, and July 24, 1919; to the Committee on Interstate and Foreign Commerce.

By Mr. REECE: A bill (H. R. 6760) to equalize and adjust the rate pay to all candidates for commissions in officers' training camps between April 6, 1917, and June 30, 1918; to the Committee on World War Veterans' Legislation.

By Mr. WOODRUFF: A bill (H. R. 6761) for the relief of members of the band of the United States Marine Corps who were retired prior to June 30, 1922, and for the relief of members transferred to the Fleet Marine Corps Reserve; to the Committee on Naval Affairs.

Also, a bill (H. R. 6762) providing that it shall take the concurrence of at least seven judges of the Supreme Court of the United States to declare certain laws unconstitutional; to the Committee on the Judiciary.

By Mr. TYDINGS: A bill (H. R. 6763) authorizing the Secretary of War to grant the use of Fort Howard, Md., to the mayor and city council of Baltimore and making certain provisions and connection therewith; to the Committee on Military Affairs.

Also, a bill (H. R. 6764) authorizing the Secretary of War to pass fee simple title to the mayor and city council of Baltimore to Fort Howard, Md., for and in consideration of the sum of $1; to the Committee on Military Affairs.

Also, a bill (H. R. 6765) authorizing the Secretary of War to grant the use of Fort Howard, Md., to the mayor and city council of Baltimore, and making certain provisions and connection therewith; to the Committee on Military Affairs.

By Mr. BELL: A bill (H. R. 6766) to provide for the erection of a public building at the city of Blue Ridge, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6767) authorizing the erection of a post-office building at Norcross, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6768) to provide for the erection of a public building at the city of Ball Ground, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6769) authorizing the erection of a post-office building at Winder, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. COLLIER: A bill (H. R. 6770) to provide for the paving of the Vicksburg National Cemetery Road, at Vicksburg, Miss.; to the Committee on Military Affairs.

By Mr. PORTER: A bill (H. R. 6771) for the acquisition or erection of American Government buildings and embassy, legation, and consular buildings, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BURTON: A bill (H. R. 6772) to authorize the settlement of the indebtedness of the Kingdom of Rumania to the United States of America; to the Committee on Ways and Means.

Also, a bill (H. R. 6773) to authorize the settlement of the indebtedness of the Kingdom of Italy to the United States of America; to the Committee on Ways and Means.

Also, a bill (H. R. 6774) to authorize the settlement of the indebtedness of the Government of the Kingdom of Belgium to the Government of the United States of America; to the Committee on Ways and Means.

Also, a bill (H. R. 6775) to authorize the settlement of the indebtedness of the Republic of Esthonia to the United States of America; to the Committee on Ways and Means.

Also, a bill (H. R. 6776) to authorize the settlement of the indebtedness of the Government of the Republic of Latvia to the Government of the United States of America; to the Committee on Ways and Means.

Also, a bill (H. R. 6777) to authorize the settlement of the indebtedness of the Czechoslovak Republic to the United States of America; to the Committee on Ways and Means.

By Mr. PRALL: A bill (H. R. 6778) authorizing the Secretary of the Treasury to remodel, extend, enlarge, repair, or improve the subtreasury building in the city of New York, State of New York, and for other purposes; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6779) to authorize the cession to the city of New York of land on the northerly side of New Dorp Lane in exchange for permission to connect Miller Field with the said city's public sewer system; to the Committee on Military Affairs.

Also, a bill (H. R. 6780) to authorize the Port of New York Authority to construct, operate, maintain, and own a bridge across the Kill Van Kull River between the States of New York and New Jersey; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWNE: A bill (H. R. 6781) to ascertain the amount of hydroelectric power that could be developed on the rivers within the Menominee Indian Reservation of Wisconsin; to the Committee on Indian Affairs.

Also, a bill (H. R. 6782) appropriating for Menominee Indians out of their funds to enable them to work their lands, etc.; to the Committee on Appropriations.

By Mr. WOODRUFF: A bill (H. R. 6783) to establish the bureau of medical research; to the Committee on Interstate and Foreign Commerce.

By Mr. BACON: A bill (H. R. 6784) to extend the provisions of the national bank act to the Virgin Islands of the United States; to the Committee on Banking and Currency.

By Mr. HILL of Maryland: A bill (H. R. 6785) providing for the men who served with the American Expeditionary Forces in Europe as engineer field clerks the status of Army field clerk and field clerk, Quartermaster Corps, of the United States Army when honorably discharged; to the Committee on Military Affairs.

By Mr. CONNALLY of Texas: Joint resolution (H. J. Res. 105) authorizing the President to send representatives to sit upon a preparatory commission for the disarmament conference, being a commission to prepare for a conference on the reduction and limitation of armaments which has been set up by the council of the League of Nations and which is to meet in Geneva, Switzerland, in February, 1926, and authorizing an appropriation of $50,000 to cover the expenses of participation in the discretion of the Executive in the work of the preparatory commission; to the Committee on Foreign Affairs.

By Mr. KELLY: Joint resolution (H. J. Res. 106) authorizing and requesting the Postmaster General to design and issue a special postage stamp in honor of Commodore Edward Preble, commander of the *Constitution* in the conflict with Barbary pirates; to the Committee on the Post Office and Post Roads.

By Mr. OLDFIELD: Resolution (H. Res. 71) to investigate the aluminum industry; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN: A bill (H. R. 6786) for the relief of Hugh R. Wilson, John K. Caldwell, and other diplomatic and consular officers and employees and representatives of the Departments of Commerce and Treasury who suffered losses in the Japanese earthquake and fire; to the Committee on Claims.

By Mr. ARNOLD: A bill (H. R. 6787) granting a pension to Alonzo Bicknell; to the Committee on Invalid Pensions.

By Mr. AYRES: A bill (H. R. 6788) granting an increase of pension to Martha Rhea; to the Committee on Invalid Pensions.

By Mr. BACHARACH: A bill (H. R. 6789) providing for the examination and survey of Dennis Creek, N. J.; to the Committee on Rivers and Harbors.

By Mr. BACON: A bill (H. R. 6790) for the relief of Philip A. Hertz; to the Committee on Military Affairs.

By Mr. BEGG: A bill (H. R. 6791) granting an increase of pension to Sarah Babione; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6792) granting an increase of pension to Elizabeth Staley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6793) granting an increase of pension to Mary Leonard; to the Committee on Invalid Pensions.

By Mr. BERGER: A bill (H. R. 6794) granting an increase of pension to John F. Brannam; to the Committee on Pensions.

Also, a bill (H. R. 6795) granting a pension to Reuben S. Carver; to the Committee on Pensions.

By Mr. BLACK of Texas: A bill (H. R. 6796) granting an increase of pension to Mary E. Flippo; to the Committee on Invalid Pensions.

By Mr. BOX: A bill (H. R. 6797) granting a pension to Theo Dorsett; to the Committee on Pensions.

Also, a bill (H. R. 6798) granting a pension to Oliver E. Perpener; to the Committee on Pensions.

By Mr. BUTLER: A bill (H. R. 6799) for the relief of the school district of the township of Tinicum, Pa., the township of Tinicum, Pa., and Delaware County, Pa.; to the Committee on Claims.

By Mr. CLAGUE: A bill (H. R. 6800) granting an increase of pension to Janette R. Decker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6801) granting an increase of pension to Anna E. Golden; to the Committee on Invalid Pensions.

By Mr. CARSS: A bill (H. R. 6802) granting an increase of pension to Edward Wilson; to the Committee on Pensions.

By Mr. CARTER of California: A bill (H. R. 6803) providing for the relief of Jacob Arnold Habegger; to the Committee on Military Affairs.

Also, a bill (H. R. 6804) for the relief of Adam J. Kent; to the Committee on Military Affairs.

Also, a bill (H. R. 6805) for the relief of Frank L. Muller; to the Committee on Naval Affairs.

Also, a bill (H. R. 6806) authorizing the payment of a claim to Alexander J. Thompson; to the Committee on Claims.

Also, a bill (H. R. 6807) to correct the military record of Bert H. Libbey; to the Committee on Military Affairs.

Also, a bill (H. R. 6808) authorizing the Secretary of War to place the name of Henry J. Macpeake on the list of retired captains of the United States Army; to the Committee on Military Affairs.

By Mr. COLLIER: A bill (H. R. 6809) for the relief of C. T. Dillon; to the Committee on Claims.

Also, a bill (H. R. 6810) for the relief of Oswald H. Halford, Hunter M. Henry, William C. Horne, Rupert R. Johnson, David L. Lacey, William Z. Lee, Fenton F. Rodgers, Henry Freeman Seale, Felix M. Smith, Edwin C. Smith, Robert S. Sutherland, and Charles G. Ventress; to the Committee on Claims.

By Mr. COOPER of Wisconsin: A bill (H. R. 6811) granting an increase of pension to Susan K. Stork; to the Committee on Invalid Pensions.

By Mr. CORNING: A bill (H. R. 6812) for the relief of Harvey H. Goyer; to the Committee on Military Affairs.

By Mr. DAVENPORT: A bill (H. R. 6813) granting an increase of pension to Thomas E. Hart; to the Committee on Invalid Pensions.

By Mr. EDWARDS: A bill (H. R. 6814) granting a pension to Sarah B. Arnett; to the Committee on Pensions.

Also, a bill (H. R. 6815) for the relief of Ambrose A. Campbell; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 6816) for the relief of Horace M. Cleary; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 6817) providing for the examination and survey of Ogeechee River, Ga.; to the Committee on Rivers and Harbors.

By Mr. ESTERLY: A bill (H. R. 6818) granting an increase of pension to William V. Schwoyer; to the Committee on Pensions.

By Mr. FLAHERTY: A bill (H. R. 6819) for the relief of J. K. Johansen; to the Committee on Naval Affairs.

Also, a bill (H. R. 6820) for the relief of Frank McShane; to the Committee on Naval Affairs.

By Mr. W. T. FITZGERALD: A bill (H. R. 6821) granting a pension to Susanna Rhoades; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6822) granting an increase of pension to Mary K. Hess; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6823) granting an increase of pension to Charles Fuhr; to the Committee on Pensions.

By Mr. FLETCHER: A bill (H. R. 6824) granting a pension to Adam J. Sherman; to the Committee on Pensions.

Also, a bill (H. R. 6825) granting a pension to Erston Elroy Taylor; to the Committee on Invalid Pensions.

By Mr. FREEMAN: A bill (H. R. 6826) granting an increase of pension to Anna Nicholson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6827) granting an increase of pension to Josephine A. Albee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6828) granting an increase of pension to Harriet E. Huntley; to the Committee on Invalid Pensions.

By Mr. GARRETT of Texas: A bill (H. R. 6829) granting a pension to Vercher Mitcheal Fahey; to the Committee on Pensions.

By Mr. GREENWOOD: A bill (H. R. 6830) granting a pension to Wardell B. French; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6831) granting a pension to Addie I. Davis; to the Committee on Invalid Pensions.

By Mr. HALE: A bill (H. R. 6832) for the allowance of certain claims for extra labor above the legal day of eight hours at certain navy yards certified by the Court of Claims; to the Committee on Claims.

Also, a bill (H. R. 6833) for the relief of George W. Edgerly; to the Committee on Military Affairs.

By Mr. HAWES: A bill (H. R. 6834) for the relief of Joseph M. Black; to the Committee on Military Affairs.

Also, a bill (H. R. 6835) for the relief of Herman C. Neer; to the Committee on the Judiciary.

By Mr. HUDSPETH: A bill (H. R. 6836) granting an increase of pension to Cicero C. Patton; to the Committee on Pensions.

Also, a bill (H. R. 6837) for the relief of Jessie Taylor; to the Committee on Claims.

Also, a bill (H. R. 6838) granting the distinguished service cross to Capt. Hurley E. Fuller; to the Committee on World War Veterans' Legislation.

By Mr. MORTON D. HULL: A bill (H. R. 6839) granting a pension to Katie O'Rourke; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6840) granting a pension to Marion Vandermade; to the Committee on Invalid Pensions.

By Mr. JENKINS: A bill (H. R. 6841) granting a pension to Mary Jane Howell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6842) granting a pension to Sirena Short; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6843) granting an increase of pension to Mary Rettenmeier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6844) granting an increase of pension to Elizabeth Minard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6845) granting an increase of pension to Bartlett Sharp; to the Committee on Pensions.

By Mr. JOHNSON of Indiana: A bill (H. R. 6846) granting a pension to Martha Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6847) to correct the military record of Thornton Jackson; to the Committee on Military Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 6848) granting a pension to Ellen S. Chase; to the Committee on Pensions.

Also, a bill (H. R. 6849) granting an increase of pension to William A. McClarty; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 6850) granting an increase of pension to George W. Martin; to the Committee on Pensions.

Also, a bill (H. R. 6851) granting an increase of pension to Willmina Porste; to the Committee on Pensions.

Also, a bill (H. R. 6852) granting an increase of pension to Elmira Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6853) granting a pension to Maude Liming; to the Committee on Invalid Pensions.

By Mr. KELLER: A bill (H. R. 6854) for the relief of Harry H. Burris; to the Committee on Military Affairs.

Also, a bill (H. R. 6855) granting a pension to John Oberschmid; to the Committee on Pensions.

By Mr. KELLY: A bill (H. R. 6856) for the relief of Mary S. Neel; to the Committee on Claims.

By Mr. LAMPERT: A bill (H. R. 6857) granting an increase of pension to George Corneille; to the Committee on Pensions.

By Mr. LANHAM: A bill (H. R. 6858) granting an increase of pension to Allen D. Cagle; to the Committee on Pensions.

By Mr. LETTS: A bill (H. R. 6859) granting an increase of pension to Ellen E. Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6860) granting an increase of pension to Eliza Bannister; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 6861) granting an increase of pension to Sarah G. Dawdy; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 6862) for the relief of Frank Della Torre; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 6863) granting a pension to Reuben J. Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6864) granting a pension to Noah S. Warner; to the Committee on Pensions.

Also, a bill (H. R. 6865) granting a pension to Sarah Sloan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6866) granting an increase of pension to Susan G. Whiteman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6867) granting an increase of pension to Martha J. Hammond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6868) granting an increase of pension to Sarah Arrena Thomas; to the Committee on Invalid Pensions.

By Mr. McKEOWN: A bill (H. R. 6869) granting an increase of pension to Eveline Mooney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6870) granting an increase of pension to Mary J. Freeman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6871) granting a pension to Mesia Hembree; to the Committee on Invalid Pensions.

By Mr. MacGREGOR: A bill (H. R. 6872) to amend the military record of William F. Wheeler; to the Committee on Military Affairs.

By Mr. MANSFIELD: A bill (H. R. 6873) for the relief of R. E. Swartz, W. J. Collier, and others; to the Committee on Claims.

By Mr. MANLOVE: A bill (H. R. 6874) for the relief of James Madison Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 6875) for the relief of L. S. Kiger; to the Committee on Military Affairs.

Also, a bill (H. R. 6876) for the relief of Luke Stinnett, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 6877) for the relief of Arthur Moffett, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 6878) granting a pension to George Richardson; to the Committee on Pensions.

Also, a bill (H. R. 6879) granting a pension to Dan J. Mosier; to the Committee on Pensions.

Also, a bill (H. R. 6880) granting a pension to Susana Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6881) granting a pension to Mariah E. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6882) granting a pension to Delilah Golden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6883) granting a pension to Eliza Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6884) granting a pension to Katie Simpson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6885) granting a pension to Alpha M. Jackson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6886) granting a pension to Emma S. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6887) granting a pension to John H. Mooney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6888) granting an increase of pension to Charles McCarthy; to the Committee on Pensions.

Also, a bill (H. R. 6889) granting a pension to Sarah A. Neece; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6890) granting an increase of pension to Julia J. Ray; to the Committee on Pensions.

Also, a bill (H. R. 6891) granting an increase of pension to Emma J. Gehon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6892) granting an increase of pension to Ella Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6893) granting an increase of pension to Elizabeth A. Munday; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6894) granting an increase of pension to Nancy A. Murray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6895) granting an increase of pension to Mary A. Mills; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6896) granting an increase of pension to Jennie McQueen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6897) granting an increase of pension to Louisa L. Littler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6898) granting an increase of pension to Sarah E. Lawson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6899) granting an increase of pension to Elizabeth M. Kerr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6900) granting an increase of pension to Nancy A. Irwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6901) granting an increase of pension to Elizabeth Dockery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6902) granting an increase of pension to Elizabeth Kyler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6903) granting an increase of pension to Mary E. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6904) granting an increase of pension to Helen D. Jenkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6905) granting an increase of pension to Lucretia Sandlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6906) granting an increase of pension to Jennie Ray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6907) granting an increase of pension to Asenath Priest; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 6908) granting an increase of pension to Sarah J. Pletcher; to the Committee on Invalid Pensions.

By Mr. MENGES: A bill (H. R. 6909) granting a pension to Harry S. Spangler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6910) granting an increase of pension to Catharine Baughman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6911) granting an increase of pension to Sarah J. Hartman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6912) granting an increase of pension to Catharine F. Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6913) granting an increase of pension to Margaret M. Burger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6914) granting an increase of pension to Catherine Fry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6915) granting an increase of pension to Elmira Ann Lamotte; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6916) granting an increase of pension to Laura J. Nonemaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6917) granting an increase of pension to Sophia Hoffman; to the Committee on Invalid Pensions.

By Mr. MILLIGAN: A bill (H. R. 6918) granting an increase of pension to Sarah A. Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6919) granting an increase of pension to Hannah Dinsmore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6920) granting a pension to Sarah L. Gabbert; to the Committee on Invalid Pensions.

By Mr. MOREHEAD, a bill (H. R. 6921) to correct the military record of James Perry Whitlow; to the Committee on Military Affairs.

By Mr. MORGAN: A bill (H. R. 6922) granting a pension to Eldora Temple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6923) granting an increase of pension to Sophronia J. Schefler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6924) granting an increase of pension to Charles W. Sasser; to the Committee on Pensions.

By Mr. NELSON of Maine: A bill (H. R. 6925) granting a pension to Annie L. Ricker; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 6926) granting a pension to Samantha A. Coffey; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 6927) granting an increase of pension to Mary Denine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6928) granting an increase of pension to Libbie B. Sanders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6929) granting an increase of pension to Atness E. Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6930) to correct the military record of William Dietle; to the Committee on Military Affairs.

By Mr. PRALL: A bill (H. R. 6931) for the relief of New York Marine Co.; to the Committee on Claims.

Also, a bill (H. R. 6932) for the relief of Church of the Holy Comforter, Eltingville, Richmond County, N. Y.; to the Committee on Claims.

Also, a bill (H. R. 6933) for the relief of William H. Sullivan; to the Committee on Claims.

Also, a bill (H. R. 6934) for the relief of John Panza and Rose Panza; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 6935) to correct the military record of William Mullins; to the Committee on Military Affairs.

Also, a bill (H. R. 6936) for the relief of Wilson S. Jaynes; to the Committee on Claims.

Also, a bill (H. R. 6937) for the relief of Alice Hackney; to the Committee on Claims.

Also, a bill (H. R. 6938) granting a pension to Eliza Whitehead; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6939) granting an increase of pension to Ernest Barjarow; to the Committee on Pensions.

By Mr. REID of Illinois: A bill (H. R. 6940) granting a pension to Mary E. Muzzy; to the Committee on Invalid Pensions.

By Mrs. ROGERS: A bill (H. R. 6941) granting an increase of pension to Michael E. Breck; to the Committee on Pensions.

Also, a bill (H. R. 6942) for the relief of Ahmed Hussein; to the Committee on Claims.

Also, a bill (H. R. 6943) granting a pension to Gilbert B. Perrin; to the Committee on Pensions.

Also, a bill (H. R. 6944) granting an increase of pension to Thomas Quirk; to the Committee on Pensions.

By Mr. ROMJUE: A bill (H. R. 6945) granting an increase of pension to Sarah C. J. Harper; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 6946) granting a pension to Sophia Robinson; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 6947) granting a pension to Simeon B. Card; to the Committee on Pensions.

Also, a bill (H. R. 6948) granting an increase of pension to Mary E. Howland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6949) granting an increase of pension to Samuel L. Meddaugh; to the Committee on Pensions.

Also, a bill (H. R. 6950) granting an increase of pension to Prudence Bennett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6951) granting an increase of pension to Margaret Dunn; to the Committee on Invalid Pensions.

By Mr. STROTHER: A bill (H. R. 6952) granting a pension to Christina E. Haws; to the Committee on Pensions.

Also, a bill (H. R. 6953) granting a pension to Leroy Lively; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 6954) granting an increase of pension to Martha J. Keeler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6955) granting an increase of pension to Lucy Hemlinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6956) granting an increase of pension to Mary Kuney; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 6957) granting an increase of pension to Zora E. Brown; to the Committee on Pensions.

By Mr. TINCHER: A bill (H. R. 6958) granting a pension to Carrie Estella Robinson; to the Committee on Pensions.

By Mr. TOLLEY: A bill (H. R. 6959) granting an increase of pension to Sarah Ann Franklin; to the Committee on Invalid Pensions.

By Mr. TYDINGS: A bill (H. R. 6960) granting a pension to Nellie King; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 6961) granting an increase of pension to Jane Edens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6962) granting a pension to Emma Dennis; to the Committee on Invalid Pensions.

By Mr. WHITEHEAD: A bill (H. R. 6963) granting an increase of pension to Elizabeth Wilder; to the Committee on Invalid Pensions.

By Mr. WOOD: A bill (H. R. 6964) to authorize the appointment of First Lieut. John W. Scott, resigned, to the grade of first lieutenant, retired, in the United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 6965) granting an increase of pension to Sarah F. McDaniel; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 6966) granting an increase of pension to Margaret R. Rorabaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6967) granting an increase of pension to Settia I. Steiner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6968) granting an increase of pension to Elizabeth B. Shaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6969) granting an increase of pension to Eliza Tillery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6970) granting an increase of pension to Charlotte Wirsing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6971) granting an increase of pension to Martha B. Wallace; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6972) granting an increase of pension to Rachel R. Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6973) granting an increase of pension to Mary E. Smith; to the Committee on Invalid Pensions.

By Mr. CANNON: Resolution (H. Res. 72) authorizing payment of six months' salary and funeral expenses to Parmelia J. Linahan on account of death of James Linahan, late employee of the House of Representatives; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

232. Petition of the Scandinavian of America Fraternity, 18 Grandin Street, Jamestown, N. Y., favoring the recognition of Leif Ericson as the discoverer of America; to the Committee on the Library.

233. By Mr. BARBOUR: Resolution adopted by General William Mitchell Camp, No. 85, and General William Mitchell Auxiliary, No. 59, United Spanish War Veterans, of Huntington Park, Calif., urging the enactment of H. R. 98 and S. 98; to the Committee on Pensions.

234. Also, resolution adopted by Chapter No. 30, Greeters of America, Los Angeles, Calif., urging the continuance of appropriations for good roads; to the Committee on Appropriations.

235. By Mr. CARSS: Petition of the Bakery and Confectionery Workers International Union of America, protesting against the proposed combination of the Ward, Continental, and General Baking Cos.; to the Committee on the Judiciary.

236. By Mr. CARTER of California: Petition of the board of directors of the California Development Association, relating to the extension of the boundaries of the national parks within the State of California; to the Committee on the Public Lands.

237. Also, petition of Oakland (Calif.) Branch, No. 188, Universal Negro Improvement Association and African Communities League, requesting an investigation of the case of Marcus Garvey, of New York, signed by G. E. Inman, secretary of the association, and 450 members thereof; to the Committee on Immigration and Naturalization.

238. Also, petition of the Greeters of America, Southern California Chapter, No. 30, indorsing Federal appropriation for road work throughout the country; to the Committee on Roads.

239. Also, petition of General William Mitchell Camp, No. 85, Huntington Park, Calif., and General William Mitchell Auxiliary, No. 59, Department of California, of the United Spanish War Veterans; to the Committee on Pensions.

240. Also, petition of the Central Labor Council of Los Angeles, Calif., regarding certain printing done by the United States Government; to the Committee on the Post Office and Post Roads.

241. Also, petition of the Motor Carriers' Association of California, indorsing the Federal aid road plan; to the Committee on Roads.

242. Also, petition of Gertrude E. Hartman and others, of Alameda County, Calif., in reference to legislation effecting disabled veterans of the World War; to the Committee on World War Veterans' Legislation.

243. Also, resolution adopted by Corporal Harold W. Roberts Post, No. 466, Veterans of Foreign Wars of the United States, pertaining to the prosecution of persons who obtained citizenship through fraud; to the Committee on Immigration and Naturalization.

244. By Mr. CONNERY: Petition of the Irish-American Republican Club of Massachusetts, protesting against the entrance of this Nation into the World Court of the League of Nations; to the Committee on Foreign Affairs.

245. By Mr. CULLEN: Resolutions of the American Jewish Congress, adopted in its sessions assembled on October 25 and 26, 1925, at Philadelphia, Pa., on the subject of nonquota immigrants; to the Committee on Immigration and Naturalization.

246. By Mr. W. T. FITZGERALD: Petition of A. H. Coleman Post, No. 159, Department of Ohio, Grand Army of the Republic, opposing and requesting repeal of joint resolution passed by the Sixty-eighth Congress providing for restoration of the Lee Mansion in Arlington; to the Committee on the Library.

247. Also, petition of A. H. Coleman Post, No. 159, Department of Ohio, Grand Army of the Republic, requesting enactment of legislation providing pensions of $72 a month for all honorably discharged soldiers of the Civil War, further benefits for those disabled in service by loss of one eye or limb; to the Committee on Invalid Pensions.

248. By Mr. FULLER: Resolutions adopted by Camp No. 16, United Spanish War Veterans of Minnesota, protesting against rates of pensions allowed Spanish War veterans and indorsing the bill presented by the national legislative committee of the Spanish War veterans for increase of such pensions; to the Committee on Pensions.

249. Also, petition of the Rockford (Ill.) Chamber of Commerce, favoring the report of the American Debt Commission with reference to the funding of the debts of six additional countries; to the Committee on Ways and Means.

250. Also, petition of Peru (Ill.) Chapter, No. 74, Izaac Walton League of America, opposing the passage of any legislation that would grant the privilege of withdrawing more than 10,000 cubic feet of water per second from Lake Michigan for the deep waterway to the Gulf project; to the Committee on Interstate and Foreign Commerce.

251. By Mr. GRIEST: Petition of the Manufacturers' Association of Lancaster, Pa., favoring 1-cent drop-letter postage rate; to the Committee on the Post Office and Post Roads.

252. By Mr. JOHNSON of Washington: Resolution adopted by the Tacoma Division of the Ancient Order of Hibernians and Ladies' Auxiliary, of Tacoma, Wash., opposing American adherence to the Permanent Court of International Justice; to the Committee on Foreign Affairs.

253. By Mrs. KAHN: Petition of the United Parlor, Native Sons of the Golden State, Chinese-American Citizens' Alliance, praying for an amendment to the immigration act of 1924; to the Committee on Immigration and Naturalization.

254. By Mr. LEATHERWOOD: Resolution of the Chamber of Commerce of Salt Lake City, Utah, requesting the Utah delegation in Congress to use their influence in securing sufficient Federal aid for construction of interstate highways; to the Committee on Roads.

255. By Mr. MACGREGOR: Petition of the Loyal Daughters, No. 86, D. of A., advising that they are in favor of the resolutions adopted at the regular meeting of the Immigration Restriction League (Inc.), of New York; to the Committee on Immigration and Naturalization.

SENATE

WEDNESDAY, *January 6, 1926*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our heavenly Father, we approach Thy throne of grace looking unto Thee for help in every moment of need, knowing that Thou hast done for us at other times so much to cheer and encourage, to give us light in darkness and strength in weakness, and enabled us to meet issues of tremendous significance. We plead for Thy blessing to-day, and ask Thee also to remember the sorrowing household and pray that Thou wilt give unto those related to that household abundance of blessing and realize unto them constantly the infinite comforts of Thy heart of love. Hear us amid duties, hear us as we press onward, and may it be always Heavenward. For Jesus' sake. Amen.

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, its enrolling clerk, announced that the House had concurred in Senate Concurrent Resolution No. 2, providing that in the enrollment of S. J. Res. 20 the Secretary of the Senate is authorized and directed to strike out the words "New York," in line 6, and to insert therefor the words "New Jersey."

The message also announced that the House had adopted a concurrent resolution (H. Con. Res. 4) providing for the establishment of a joint committee, to be known as the Joint Committee on Muscle Shoals, to conduct negotiations for a lease of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., etc., in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS

Mr. WILLIS presented a memorial of sundry citizens of Clermont and Hamilton Counties, in the State of Ohio, remonstrating against the participation of the United States in the Permanent Court of International Justice, which was ordered to lie on the table.

He also presented a petition of sundry citizens of the State of Ohio, praying for the repeal of the so-called war tax on industrial alcohol used in the manufacture of medicines, home remedies, and flavoring extracts, which was referred to the Committee on Finance.

Mr. FERRIS presented a petition of sundry citizens of Hesperia and Fremont, in the State of Michigan, praying for the passage of legislation removing or reducing the tax on industrial alcohol, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Kalamazoo, Tekonsha, Pontiac, and Coldwater, all in the State of Michigan, remonstrating against the participation of the United States in the Permanent Court of International Justice, which was ordered to lie on the table.

Mr. FRAZIER presented the petition of H. S. Shuttleworth and 37 other citizens of Minot and vicinity, in the State of North Dakota, praying for the repeal of the so-called war tax on industrial alcohol used in the manufacture of medicines, home remedies, and flavoring extracts, which was referred to the Committee on Finance.